UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

FOR THE FISCAL YEAR ENDED December 31, 2025

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

FOR THE TRANSITION PERIOD FROM TO
COMMISSION FILE NUMBER 001-16707

Prudential Financial, Inc.

(Exact Name of Registrant as Specified in its Charter)

New Jersey	**22-3703799**
(State or Other Jurisdiction of Incorporation or Organization)	**(I.R.S. Employer Identification Number)**

751 Broad Street
Newark, NJ 07102
(973) 802-6000
(Address and Telephone Number of Registrant's Principal Executive Offices)

SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, Par Value $.01	PRU	New York Stock Exchange
5.950% Junior Subordinated Notes	PRH	New York Stock Exchange
5.625% Junior Subordinated Notes	PRS	New York Stock Exchange
4.125% Junior Subordinated Notes	PFH	New York Stock Exchange

SECURITIES REGISTERED PURSUANT TO SECTION 12(g) OF THE ACT: NONE

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of the Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☐ Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of June 30, 2025, the aggregate market value of the registrant's Common Stock (par value $0.01) held by non-affiliates of the registrant was $37.81 billion and 352 million shares of the Common Stock were outstanding. As of January 31, 2026, 348 million shares of the registrant's Common Stock (par value $0.01) were outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Part III of this Form 10-K incorporates by reference certain information from the Registrant's Definitive Proxy Statement for the Annual Meeting of Shareholders to be held on May 12, 2026, to be filed by the Registrant with the Securities and Exchange Commission pursuant to Regulation 14A not later than 120 days after the year ended December 31, 2025.

TABLE OF CONTENTS

			Page
PART I	Item 1.	Business	1
	Item 1A.	Risk Factors	22
	Item 1B.	Unresolved Staff Comments	35
	Item 1C.	Cybersecurity	35
	Item 2.	Properties	36
	Item 3.	Legal Proceedings	37
	Item 4.	Mine Safety Disclosures	37
PART II	Item 5.	Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities	38
	Item 6.	[Reserved]	38
	Item 7.	Management's Discussion and Analysis of Financial Condition and Results of Operations	39
	Item 7A.	Quantitative and Qualitative Disclosures About Market Risk	120
	Item 8.	Financial Statements and Supplementary Data	126
	Item 9.	Changes in and Disagreements with Accountants on Accounting and Financial Disclosure	297
	Item 9A.	Controls and Procedures	297
	Item 9B.	Other Information	297
	Item 9C.	Disclosure Regarding Foreign Jurisdictions that Prevent Inspections	297
PART III	Item 10.	Directors, Executive Officers and Corporate Governance	297
	Item 11.	Executive Compensation	298
	Item 12.	Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters	298
	Item 13.	Certain Relationships and Related Transactions, and Director Independence	298
	Item 14.	Principal Accountant Fees and Services	298
PART IV	Item 15.	Exhibits, Financial Statement Schedules	299
	Item 16.	Form 10-K Summary	310
GLOSSARY			311
EXHIBIT INDEX			314
SIGNATURES			319

Forward-Looking Statements

Certain of the statements included in this Annual Report on Form 10-K 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. There can be no assurance that future developments affecting Prudential Financial, Inc. and its subsidiaries will be those anticipated by management. These forward-looking statements are not a guarantee of future performance and involve risks and uncertainties, and there are certain important factors that could cause actual results to differ, possibly materially, from expectations or estimates reflected in such forward-looking statements, including, among others: (1) losses on investments or financial contracts due to deterioration in credit quality or value, or counterparty default; (2) 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; (3) changes in interest rates, equity prices and foreign currency exchange rates that may (a) adversely impact the profitability of our products, the value of separate accounts supporting these products or the value of assets we manage, (b) result in losses on derivatives we use to hedge risk or increase collateral posting requirements and (c) limit opportunities to invest at appropriate returns; (4) guarantees within certain of our products which are market sensitive and may decrease our earnings or increase the volatility of our results of operations or financial position; (5) liquidity needs resulting from (a) derivative collateral market exposure, (b) asset/liability mismatches, (c) the lack of available funding in the financial markets or (d) unexpected cash demands due to severe mortality calamity or lapse events; (6) financial or customer losses, or regulatory and legal actions, due to inadequate or failed processes or systems, external events, and human error or misconduct such as (a) disruption of our systems and data, (b) an information security breach, (c) a failure to protect the privacy of sensitive data, (d) reliance on third parties or (e) labor and employment matters; (7) changes in the regulatory landscape, including related to (a) financial sector regulatory reform, (b) changes in tax laws, (c) fiduciary rules and other standards of care, (d) U.S. state insurance laws and developments regarding group-wide supervision, capital and reserves, (e) insurer capital standards outside the U.S. and (f) privacy and cybersecurity regulation; (8) technological changes which may adversely impact companies in our investment portfolio or cause insurance experience to deviate from our assumptions; (9) an inability to protect our intellectual property rights or claims of infringement of the intellectual property rights of others; (10) ratings downgrades; (11) market conditions that may adversely affect the sales or persistency of our products; (12) competition; (13) reputational damage; (14) the costs, effects, timing, or success of our plans to execute our strategy; (15) the economic conditions, and impacts on the Company thereof, caused by the imposition of tariffs and retaliatory actions; and (16) uncertainty regarding the outcome and consequences of the investigation into and remediation of employee misconduct in Japan (see "Management's Discussion and Analysis—Results of Operations by Segment—International Businesses" for more information). Prudential Financial, Inc. does not undertake to update any particular forward-looking statement included in this document. See "Risk Factors" included in this Annual Report on Form 10-K for discussion of certain risks relating to our businesses and investment in our securities.

Throughout this Annual Report on Form 10-K, "Prudential Financial" and the "Registrant" refer to Prudential Financial, Inc., the ultimate holding company for all of our companies. "PICA" refers to The Prudential Insurance Company of America. "Prudential," the "Company," "we" and "our" refer to our consolidated operations.

PART I

ITEM 1. BUSINESS

Table of Contents

	Page
Overview	2
PGIM	3
Retirement Strategies	4
Group Insurance	6
Individual Life	7
International Businesses	9
Corporate and Other	10
Closed Block Division	11
Seasonality of Key Financial Items	12
Intangible and Intellectual Property	12
Regulation	13
Human Capital Resources	18
Available Information	19
Information About our Executive Officers	20

Overview

Prudential Financial, Inc. ("Prudential Financial" or "PFI"), a global financial services leader and premier active global investment manager with approximately $1.609 trillion of assets under management as of December 31, 2025, has operations in the United States, Asia, Europe and Latin America. Through our subsidiaries and affiliates we offer a wide array of financial products and services, including life insurance, annuities, retirement-related products and services, mutual funds and investment management. We offer these products and services to individual and institutional customers through proprietary and third-party distribution networks. Our principal executive offices are located in Newark, New Jersey, and Prudential Financial's Common Stock is publicly traded on the New York Stock Exchange under the ticker symbol "PRU."

On December 18, 2001, The Prudential Insurance Company of America ("PICA") converted from a mutual life insurance company owned by its policyholders to a stock life insurance company and became a wholly-owned subsidiary of Prudential Financial. The demutualization was carried out under PICA's Plan of Reorganization, which required us to establish and operate a regulatory mechanism known as the "Closed Block." The Closed Block includes certain in-force participating insurance and annuity products and corresponding assets that are used for the payment of benefits and policyholders' dividends on these products, as well as certain related assets and liabilities.

Our principal operations consist of PGIM (our global investment management business), our U.S. Businesses (consisting of our Retirement Strategies, Group Insurance and Individual Life businesses), our International Businesses, the Closed Block division and our Corporate and Other operations. The Closed Block division is accounted for as a divested business that is reported separately from the Divested and Run-off Businesses that are included in Corporate and Other. Divested and Run-off Businesses are composed of businesses that have been, or will be, sold or exited, including businesses that have been placed in wind-down status that do not qualify for "discontinued operations" accounting treatment under generally accepted accounting principles in the United States of America ("U.S. GAAP"). Our Corporate and Other operations include corporate items and initiatives that are not allocated to business segments as well as the Divested and Run-off Businesses described above. See Note 23 to the Consolidated Financial Statements for revenues, income and loss, and total assets by segment.

In September 2023, we, together with Warburg Pincus and a group of institutional investors, launched Prismic Life Reinsurance, Ltd. ("Prismic Re"), a licensed Bermuda-based life and annuity reinsurance company. Through our Corporate and Other operations, we own an approximate 20% equity interest in Prismic Life Holding Company LP ("Prismic"), the Bermuda-exempted limited partnership that owns all of the outstanding capital stock of Prismic Re and Prismic Life Reinsurance International, Ltd. ("Prismic Re International"). We expect the increased reinsurance capacity that this partnership provides to support our vision of expanding access to investing, insurance, and retirement security for people around the world. See Note 15 to the Consolidated Financial Statements for additional information regarding our transactions with Prismic Re and Prismic Re International.

Our strategy centers on capturing powerful tailwinds, including those at the convergence of global retirement and asset management, to be a global leader in expanding access to investing, insurance, and retirement security. Our business system includes a mix of high-quality protection, retirement and investment management businesses which creates growth potential by capitalizing on long-term, durable trends to provide customers with integrated cross-business solutions, as well as generate capital benefits from a balanced risk profile. We believe that we are well-positioned to meet the needs of customers and tap into significant market opportunities through PGIM, our U.S. Businesses and our International Businesses. See "Management's Discussion and Analysis of Financial Condition and Results of Operations" for additional information.

PGIM

PGIM provides a comprehensive array of investment management solutions to institutional investors, retail clients, and our affiliated insurance and retirement businesses.

Investment Asset Classes

Public Fixed Income	Global active asset management capabilities across public fixed income markets that offer liquidity and risk management for investors.
Private Credit and Other Alternatives	Alternatives and private credit solutions across the risk spectrum, including investment grade, high yield, direct lending, mezzanine financing, and secondary transactions in the small and mid-cap markets.
Public Equity	Active fundamental public equity asset management capabilities across an array of growth, value, global and specialty equity strategies.
Real Estate	A broad range of public and private real estate debt and equity strategies as well as private equity investments.
Multi-Asset	Primarily public and private multi-asset class liability-driven investment solutions to institutional clients, including funds or products that invest in more than one asset class, balancing equity and fixed income funds, and target date funds. A range of systematic, customized solutions across equity, multi-asset, and liquid alternative platforms are also offered.

Marketing and Distribution

We distribute products and provide investment management capabilities through third-party client channels to both institutional and retail clients. Our centralized approach to product development, distribution, and marketing provide our clients with innovative investment solutions across our public and private markets capabilities. Our major distribution channels are:

- Institutional—The Institutional Client Group develops relationships with large institutions globally, coordinating with integrated teams across regions and countries that provide specialized support by asset class.
- Retail—Retail and Financial Intermediary Distribution offers actively managed investment solutions, including mutual funds, listed and unlisted closed-end funds, exchange-traded funds (“ETFs”), and separately managed accounts to individual investors, defined contribution plans, and financial intermediaries in the U.S., as well as Undertakings for the Collective Investment in Transferable Securities (“UCITS”) and other investment solutions to financial intermediaries in select countries across Europe, Asia, and Latin America.

In addition to these third-party client channels, PGIM provides investment management services across a broad array of asset classes for the Company’s general account and certain separate accounts of our affiliated insurance and retirement businesses.

Revenues and Profitability

Our revenues primarily come in the form of asset management fees, which are typically calculated based upon a percentage of assets under management. In certain asset management arrangements, we also receive performance-based incentive fees when the return on the managed assets exceeds certain benchmark returns or other performance targets. In addition, we earn revenues from commercial mortgage origination and servicing, along with transaction fees that are primarily related to real estate and private fixed income in connection with the structuring, sale, or purchasing of assets.

Additionally, we hold seed and co-investments in some of our investment products to either (i) seed new products or investment strategies in order to develop a track record prior to obtaining third-party investments, or (ii) co-invest alongside clients in PGIM-managed funds to demonstrate that our interests are aligned with theirs. As a result, we participate in the investment returns from these seed and co-investments.

Our profitability is substantially impacted by macro market movements (e.g., interest rates, credit spreads, and equity market performance), our ability to achieve investment returns above the target benchmarks, and our ability to attract and retain client investments.

Competition

We compete with numerous asset managers and other financial institutions. For our investment management products, we compete based on a number of factors, including investment performance, strategy and process, talent, organizational stability, and client relationships. We offer products across multiple asset classes, with specialized investment teams that employ approaches designed to add value in each product area or asset class. Our organizational stability and robust institutional and retail businesses have helped attract and retain talent critical to delivering investment results for clients. Our private credit and commercial real estate lending businesses compete based on price, terms, execution, and the strength of our relationship with the borrower. Our public fixed income investment capability competes based on our ability to deliver robust investment returns and customized solutions while maintaining operational excellence.

Retirement Strategies

Retirement Strategies serves the retirement needs of both our institutional and individual customers. Our Institutional Retirement Strategies business develops and distributes retirement investment and income products and services to retirement plan sponsors in the public, private, and not-for-profit sectors, both domestically and internationally, primarily within the United Kingdom. Our Individual Retirement Strategies business develops and distributes individual variable and fixed annuity products in the U.S., primarily to mass affluent (households with investable assets or annual income in excess of $100,000) and affluent (households with investable assets in excess of $250,000) customers with a focus on innovative product design and risk management strategies.

Products

The primary components of our material product types are described as follows:

Institutional Retirement Strategies

Group Annuities and Other Products	• Pension risk transfers, which include non-participating group annuity insurance and reinsurance contracts issued to pension plan sponsors and intermediaries, under which we assume all investment and actuarial risk associated with a group of specified participants within a plan in return for a premium typically paid as a lump-sum at inception. These annuities provide a predictable source of monthly income, generally for the life of the annuitant. • Guaranteed investment contracts and funding agreements, which contain an obligation to pay interest at a specified rate and to repay principal at maturity or following contract termination. • Structured settlements, which provide guaranteed periodic tax-free payments to claimants.
International Reinsurance	Longevity reinsurance contracts with counterparties from which we earn a fee for assuming the longevity risk of pension plans that have been insured by third-parties. Premiums for these products are typically paid over the duration of the contract as opposed to a lump sum at inception.
Investment-Only Stable Value Wraps	Investment-only products for use in institutional capital markets and qualified plans, primarily including fee-based wraps through which customer funds are held in a client-owned trust and investment results are passed through to the customer. Obligations are backed by our general account, where we bear some or all the investment and asset-liability management risk.

Individual Retirement Strategies	
FlexGuard Suite	Our FlexGuard suite of indexed-variable annuity products offers the contractholder an opportunity to allocate funds to variable subaccounts and index-based strategies. The strategies provide an interest component linked to, but not an investment in, the selected index, and its performance over the elected term, subject to certain contractual provisions, and also provides varying levels of downside protection at pre-determined levels and durations. The product also allows for additional deposits and provides a return of purchase payment death benefit at no additional charge. Certain products also provide a protected income benefit for an additional fee.
Fixed Annuities	Our single premium annuities offer a range of benefits, including the flexibility to allocate account balances between an index-based strategy and a fixed-rate strategy. The index-based option provides interest or an interest component linked to, but not an investment in, the selected index, and its performance over the elected term, subject to certain provisions. The fixed rate option, not associated with an index, offers guaranteed growth at a set interest rate for one year that can be renewed annually. Additionally, certain products offer principal protection, guaranteed withdrawal payments, tax-deferred growth and/or a guaranteed rate of return over an initial rate period.
Variable Annuities	Our actively sold variable annuities provide tax-deferred asset accumulation, annuitization options, and an optional death benefit that guarantees the contractholder's beneficiary a return of total purchase payments made to the contract, adjusted for any partial withdrawals, upon death. Sales of our traditional variable annuities were discontinued in 2020.

Marketing and Distribution

Institutional Retirement Strategies. We primarily distribute products through the following channels:

- Pension risk transfer group annuities and longevity reinsurance contracts through actuarial consultants and third-party brokers.
- Investment-only stable value wrap products and guaranteed investment contracts through our internal sales force and third-party intermediaries.
- Structured settlements are offered through third-party specialized brokers.
- Funding agreements mainly through third-party intermediaries.

Individual Retirement Strategies. Our distribution efforts, which are supported by a network of internal and external wholesalers, are executed through a diverse group of distributors, including:

- Third-party distribution through broker-dealers, banks, wirehouses, independent financial planners, and marketing organizations; and
- Financial professionals associated with Prudential Advisors, Prudential's proprietary nationwide advice organization.

Revenues and Profitability

Institutional Retirement Strategies. Our revenues primarily come in the form of premiums associated with insurance and reinsurance contracts and payout annuities, policy charges and fee income based on account values of fee-based stable value and longevity reinsurance products, and investment income from assets supporting customer liabilities and required capital.

Our profitability is substantially impacted by our ability to appropriately price our products. We price our products based on pricing models that consider the investment environment and our risk, fees, expenses, profitability targets, and assumptions for mortality and potential for early retirement. These assumptions may be less predictable in certain markets.

Individual Retirement Strategies. Our revenues primarily come in the form of investment income from assets supporting customer liabilities and required capital, as well as interest income from collateral posted to counterparties; fee income from asset management fees and service fees, which represent administrative service and distribution fees; and policy charges and fee income representing mortality, expense and other fees for various insurance-related options.

Our profitability is substantially impacted by our ability to appropriately price our products. We price our products based on an evaluation of the risks assumed and consideration of applicable risk management strategies, including hedging and reinsurance costs, and assumptions regarding investment returns and contractholder behavior, including persistency, benefit utilization, and the timing and efficiency of withdrawals for contracts with living benefit features, as well as other assumptions.

Competition

Institutional Retirement Strategies. We compete with other large, well-established insurance companies, asset managers and diversified financial institutions primarily based on pricing, structuring capabilities, and our ability to offer innovative product solutions and successfully execute large-scale transactions. We are a leader in providing innovative pension risk management solutions to plan sponsors, and we believe the pension risk transfer market continues to offer attractive opportunities that are aligned with our expertise.

Individual Retirement Strategies. We compete with other providers of retirement savings and accumulation products, including large, well-established insurance and financial services companies and private equity firms. We believe our competitive advantage lies primarily in our innovative product features and our risk management strategies as well as brand recognition, financial strength, the breadth of our distribution platform, and our customer service capabilities. We periodically adjust product offerings, prices, and features based on the market and our strategy, with a goal of achieving customer and enterprise value.

Reinsurance

Institutional Retirement Strategies. We use ceded reinsurance on certain structured settlement contracts and assumed reinsurance as part of our international reinsurance pension risk transfer products. See Note 15 to the Consolidated Financial Statements for additional details regarding the Company's material reinsurance transactions.

Individual Retirement Strategies. We use ceded reinsurance on certain annuity contracts to (1) reduce market sensitivity and (2) mitigate mortality and longevity risks. We also use assumed reinsurance in connection with our 2006 acquisition of The Allstate Corporation ("Allstate") variable annuity business and the reinsurance of certain annuity products retained in connection with the sale of Prudential Annuities Life Assurance Corporation ("PALAC"). See Note 15 to the Consolidated Financial Statements for additional details regarding these agreements.

Group Insurance

Group Insurance provides and distributes a full range of group life, long-term and short-term group disability, and group corporate-, bank-, and trust-owned life insurance. Additionally, we offer supplemental health solutions including accident, critical illness, and hospital indemnity.

Products

The primary components of our material product types are described as follows:

Group Life Insurance	
Life Insurance	• Employer, Employee, and Member Paid coverages for term life, group universal life, and group variable life insurance, as well as accidental death and dismemberment insurance. Certain coverages allow employees to retain their coverage when they change employers or retire, and we offer waiver of premium coverage in the event the insured suffers a qualifying disability. • Corporate-, Bank-, and Trust-owned coverages in the form of group variable life insurance contracts utilizing separate accounts. These products are typically used by large corporations to fund deferred compensation plans and retiree benefit plans.
Group Disability Insurance & Other	
Short-term and Long-term Disability	Provide protection against loss of wages due to illnesses or injury. Benefits are payable after satisfying a waiting period. Short-term disability generally provides weekly benefits for three to six months while long-term disability benefits are typically paid monthly, and generally continue until the insured either returns to work or reaches normal retirement age.
Supplemental Health Solutions	Accident, critical illness and hospital indemnity plans that help offset expenses associated with medical events.

Marketing and Distribution

We primarily distribute our products through a proprietary sales force organized around market segments in conjunction with employee benefit brokers and consultants across the U.S. to institutional employers, professional associations, and affinity

groups to enhance employee membership benefit plans.

Revenues and Profitability

Our revenues primarily come in the form of premiums and policy charges for our group life, group disability, and supplemental health products as well as investment income from assets supporting customer liabilities and required capital.

Our profitability is substantially impacted by our ability to appropriately price our products, many of which include multi-year premium rate guarantees. Profitability also depends on the voluntary coverage attachment ratio, which is influenced by future employment and compensation rates. We price our products based on underwriting practices and rating systems that consider company, industry and/or other experience, along with the expected benefit payouts and other costs calculated using assumptions for mortality and morbidity rates, interest rates, and expenses based on specific product features.

While the majority of our premiums are derived from the National Market segment (over 5,000 benefit-eligible employees), we continue to diversify our book through growth of the Premier Market (between 100–5,000 benefit-eligible employees) and Association segments (affinity groups, regardless of size).

Competition

We compete with many large, well-established life and health insurance providers in mature markets. Our primary competitive advantages include brand recognition, financial strength and a diverse range of product offerings that help employers create comprehensive benefits programs that support the well-being of their employees. Additionally, we emphasize customer relationships and overall experience. Employee-paid coverage is important as we implement strategies to control costs and shift benefit decisions and funding to employees who continue to value workplace benefits.

Reinsurance

We use ceded reinsurance on most products to (1) limit losses from large claims, (2) in response to client requests, and (3) for capital management purposes.

Individual Life

Individual Life develops and distributes variable life, universal life, and term life insurance products primarily to U.S. mass middle (households with investable assets in excess of $25,000 or annual income in excess of $50,000), mass affluent (households with investable assets or annual income in excess of $100,000), and affluent (households with investable assets in excess of $250,000) customers with a focus on providing life insurance solutions to protect individuals, families, and businesses, and to support estate and wealth transfer planning.

Products

The primary components of our material product types are described as follows:

Variable Life	Permanent coverage for life with potential to accumulate policy cash value based on underlying investment options. • Variable life policies offer flexibility in payment options and the potential to accumulate cash value through a suite of underlying investment options or a fixed rate option. • Indexed variable life policies provide index-linked investment options (index strategies) in addition to a suite of underlying investment options or a fixed rate option. Index strategies credit interest to the cash value that is linked to, but not an investment in, the performance of an external index, subject to certain provisions.
Universal Life	Permanent coverage for life with the potential to accumulate policy cash value. • Universal life policies offer flexibility in payment options and the potential to accumulate cash value in an account that earns interest based on a crediting rate determined by the Company, subject to contractual minimums. • Indexed universal life policies provide interest credited to the cash value that is linked to, but not an investment in, the performance of an external index subject to certain provisions.
Term Life	Coverage for a specified number of years with a guaranteed death benefit. Most of our term life policies offer an income tax-free death benefit and guaranteed premiums that will stay the same during the level-premium period. Most of our term life policies also offer a conversion option that allows the policyholder to convert the policy into a permanent policy that can potentially cover the insured for life.

Marketing and Distribution

Our distribution efforts, which are supported by a network of internal and external wholesalers, are executed through a diverse group of distributors, including:

- Third-party distribution through independent brokers, banks, wirehouses, general agencies and producer groups;
- Financial professionals associated with Prudential Advisors, Prudential's proprietary nationwide advice organization; and
- Trusted partnerships, via embedded digital solutions through credit unions, mortgage originators, affinities, and digital marketing affiliates/paid media efforts.

Revenues and Profitability

Our revenues primarily come in the form of premiums in accordance with the terms of the policies, policy charges and fee income from in-force policies and asset-based fees, and investment income from assets supporting customer liabilities and required capital.

Our profitability is substantially impacted by our ability to appropriately price our products. We price our products based on our assumptions of future mortality and morbidity, policyholder behavior, interest rates and investment returns, expenses, premium payment patterns, performance and cost of ceded reinsurance, separate account fund performance, and product-generated tax deductions.

Competition

We compete with many large, well-established life insurance companies in a mature market. We compete primarily based on price, service (including the speed and ease of underwriting), distribution channel relationships, brand recognition, and financial strength. We periodically adjust product offerings, prices, and features based on the market and our strategy, with a goal of achieving customer and enterprise value.

Reinsurance

We use ceded reinsurance across a range of products to (1) reduce market sensitivity and (2) mitigate mortality risk. In 2024, we executed two separate transactions to reinsure a significant portion of our in-force guaranteed universal life block of business. We also use assumed reinsurance in connection with our 2013 acquisition of The Hartford's individual life insurance business. See Note 15 to the Consolidated Financial Statements for additional details regarding these agreements.

International Businesses

International Businesses develops and distributes life insurance, retirement products, investment products, and certain accident and health products with fixed benefits to affluent, mass affluent, and broad middle income customers predominantly in Japan, Brazil, and Mexico, as well as through joint ventures in Chile, China, India, and Indonesia, and through strategic investments in Ghana and South Africa.

Products

The primary components of our material product types are described as follows:

Life Insurance Protection	Traditional whole life products that provide either level or increasing coverage, and that offer limited or lifetime premium payment options; term insurance products that provide coverage for a specified time period; and protection-oriented variable life products. In Brazil, we also offer Life & Health products that provide combined death and in-life benefits, such as for disability and terminal or serious illness.
Retirement	Retirement income products that combine term-life protection with a lifetime income stream that commences at a predefined age; savings-oriented variable life products that provide a non-guaranteed return linked to an underlying investment portfolio of equity and fixed income funds selected by the customer; and endowments that provide payment of the face amount on the earlier of death or policy maturity.
Investment Contracts	Single-pay products sold predominantly in Japan where credited interest rates are guaranteed for a specified period of time and impose a market value adjustment if the contract is not held to maturity; and variable and indexed annuities that provide a non-guaranteed return or a return based on a selected index with performance subject to certain provisions.
Accident and Health	Products that provide benefits to cover accidental death and dismemberment, hospitalization, surgeries, as well as costs of cancer and other dread diseases often sold as supplementary riders and not as stand-alone products. Also includes waiver of premium coverage where required premiums are waived in the event the customer suffers a qualifying disability.

Marketing and Distribution

Our marketing and distribution efforts are conducted through the following proprietary agent models and third-party channels:

- Proprietary agent models:
  - Life Planners—focus on selling protection-oriented life insurance products to mass affluent and affluent customers, as well as retirement-oriented products to small businesses. The Life Planner model is anchored in quality, with a strong emphasis on recruiting and retaining top talent committed to exceptional service.
  - Life Consultants—focus on primarily selling individual protection products to the broad middle income market in Japan, particularly through relationships with affinity groups.
- Third-party channels:
  - Bank Distribution Channel—In Japan, we primarily sell life insurance products with savings features, premature death protection, and estate planning benefits, as well as investment and annuity products. We have relationships with Japan's major banks, as well as many regional banks, and continue to explore opportunities to expand our distribution capabilities through this channel. In Brazil, our primary focus is on whole life products with riders that provide additional coverage options and flexibility. These products are distributed through strategic partnerships with Brazil's leading banks.
  - Independent Agency Distribution Channel—sells protection products and retirement-oriented high cash value products through the corporate market, as well as protection and investment products through the individual market. Our aim is to maintain a diverse mix of independent agency relationships across both individual and corporate markets.

In February 2026, in conjunction with its previously announced internal investigation into employee misconduct in Japan, the Company voluntarily suspended new sales activity at Prudential of Japan for a 90-day period, commencing February 9, 2026. See "—Litigation and Regulatory Matters—Regulatory" within Note 25 to the Consolidated Financial Statements and "Management's Discussion and Analysis—Results of Operations by Segment—International Businesses" for additional

information.

Revenues and Profitability

Our revenues primarily come in the form of premiums in accordance with the terms of the policies, policy charges and fee income from in-force policies and asset-based fees, and investment income from assets supporting customer liabilities and required capital.

Our profitability is substantially impacted by our ability to appropriately price our products. Sales and surrenders of non-yen denominated products in Japan can be sensitive to foreign currency relationships which are impacted by, among other things, the comparative interest rates in their respective countries.

We price our products based on local regulation, which is generally more restrictive than U.S. insurance regulation for product offerings, pricing, and structure. Each international insurance operation has its own underwriting department that employs variations of U.S. practices in underwriting individual policy risks. To the extent permitted by local regulation, we base premiums and policy charges for our products on expected death and morbidity benefits, surrender benefits, expenses, required reserves, interest rates, investment returns, policy persistency, and premium payment patterns. In setting underwriting limits, we also consider local industry standards to prevent adverse selection and to stay abreast of industry trends. In addition, we set underwriting limits together with each operation's reinsurers.

We also price our products based on achieving a targeted rate of return for each operation while taking into account the country-specific costs of capital, risks, and competitive environment. The profitability of our products is impacted by differences between actual mortality, morbidity, expense, and investment experience and the related assumptions used in pricing these policies. As a result, the profitability of our products can fluctuate from period to period. Changes in local tax laws may also affect profitability.

Competition

The life insurance market in Japan is mature and pricing is competitive. Demographic trends in Japan suggest an increasing opportunity for product innovation, such as introducing products that allow for savings and income, as well as offering differentiated health products with value added services as a growing portion of the population prepares for retirement. The ability to sell through multiple and complementary distribution channels is also a competitive advantage; however, competition for sales personnel, as well as access to third-party distribution channels, is intense.

The life insurance market in Brazil continues to grow steadily, driven by rising middle-class income and increasing demand for protection and retirement solutions. The competitive landscape is shaped by major insurers, bancassurance channels, and rapidly emerging digital players. Our strategy focuses on expanding through our proprietary life planner model and delivering a differentiated, high-touch sales experience, while continuing to strengthen partnerships with leading banks and other third-party distributors.

In both of these markets, rather than competing primarily based on price, we generally compete on the basis of customer service, including our needs-based approach to selling, the quality and diversity of our distribution capabilities, and our financial strength. We periodically adjust product offerings, prices and features based on the market and our strategy, with a goal of achieving customer and enterprise value.

Reinsurance

We use ceded reinsurance to (1) mitigate mortality and morbidity risk for certain products and (2) for capital management purposes.

Corporate and Other

Includes corporate operations and initiatives that are not allocated to our business segments, certain businesses whose financial results and operations are not considered significant, and businesses that have been or will be divested or placed in wind-down status, except for the Closed Block. Results of the Closed Block, along with certain related assets and liabilities, are reported separately from the Divested and Run-off Businesses included in Corporate and Other.

Corporate Operations and Initiatives—Consists primarily of: (1) capital that is not deployed in any business segment; (2) investments not allocated to business segments; (3) capital debt; (4) our qualified and non-qualified pension and other employee benefit plans, after allocations to business segments; (5) corporate-level activities, after allocations to business segments, primarily including strategic expenditures, acquisition and disposition costs, corporate governance, corporate advertising, philanthropic activities, deferred compensation, and costs related to certain contingencies and legal matters; (6) expenses associated with the multi-year plan of programs that span across our businesses and the functional areas that support those businesses; (7) certain retained obligations relating to pre-demutualization policyholders; (8) impacts of risk management activities pursuant to our Risk Appetite Framework; (9) the foreign currency income hedging program used to hedge certain non-U.S. dollar denominated earnings in our International Businesses segment; (10) intercompany arrangements with our International Businesses and PGIM segments to translate certain non-U.S. dollar-denominated earnings at fixed currency exchange rates; (11) certain funding agreement issuances used in a spread lending capacity; (12) the consolidation of certain entities, including investment funds managed by our PGIM business, where the Company's segments have collectively obtained controlling financial interest; (13) Prudential Advisors, Prudential's proprietary nationwide advice organization; (14) the Company's share of earnings in Prismic as well as the invested assets supporting the contracts reinsured with Prismic Re via coinsurance with funds withheld arrangements and the offsetting funds withheld payable; and (15) transactions with and between other segments, including the elimination of intercompany transactions for consolidation purposes.

Divested and Run-off Businesses—Reflects the results of businesses that have been, or will be, sold or exited, including businesses that have been placed in wind-down status that do not qualify for "discontinued operations" accounting treatment under U.S. GAAP. We exclude these results from our adjusted operating income. Divested and Run-off Businesses primarily include:

- *Long-Term Care*—In 2012, we discontinued sales of our individual and group long-term care insurance products. We establish reserves for these products in accordance with U.S. GAAP. We use best estimate assumptions when establishing reserves for future policyholder benefits, including assumptions for morbidity, mortality, mortality improvement, persistency, and inflation. Our assumptions also include our estimate of the timing and amount of anticipated future premium rate increases and policyholder benefit reductions, including those which may require approval by state regulatory authorities, and a discount rate assumption based on an upper-medium grade fixed-income instrument yield.
- *PGIM Wadhwani LLP ("PGIMW")*—In the third quarter of 2024, we exited PGIMW, our London-based managed futures investment management firm. The results of this business were transferred from the PGIM segment to Divested and Run-off Businesses at that time.
- *Assurance IQ, LLC ("AIQ")*—In the first quarter of 2024, we committed to a plan to exit the operations of AIQ. The results of this business were reflected in Divested and Run-off Businesses, and all prior period amounts were restated at that time.
- *Prudential of Argentina ("POA")*—In the first quarter of 2024, we entered into a definitive agreement to sell POA. The results of this business and the impact of its anticipated sale were transferred from the International Businesses segment to Divested and Run-off Businesses at that time. The sale was completed in the second quarter of 2024.
- *Full Service Retirement Business*—In the third quarter of 2021, we entered into a definitive agreement to sell our Full Service Retirement business. The results of this business and the impact of its anticipated sale were transferred from the Retirement segment to Divested and Run-off Businesses at that time. The sale was completed in the second quarter of 2022.

Closed Block Division

In connection with the demutualization in 2001, we ceased offering domestic participating individual life insurance and annuity products under which policyholders are eligible to receive policyholder dividends reflecting experience. The liabilities for our individual in-force participating products were segregated, together with assets to be used exclusively for the payment of benefits and policyholder dividends, expenses and taxes with respect to these products, in the Closed Block. No policies sold after demutualization have been added to the Closed Block, and its in-force business is expected to decline as we pay policyholder benefits in full. Each year, the Board of Directors of PICA determines the dividends payable on participating policies for the following year based on the experience of the Closed Block, including investment income, net realized and unrealized investment gains and losses, mortality experience and other factors. See Note 16 to the Consolidated Financial Statements for additional details regarding the Closed Block division.

The results of the Closed Block, along with certain related assets and liabilities, comprise the Closed Block division, which is treated as a divested business under our definition of adjusted operating income and reported separately from the other Divested and Run-off Businesses that are included in our Corporate and Other operations. See Note 23 to the Consolidated Financial Statements for revenues, income and loss, and total assets of the Closed Block division.

Our strategy is to maintain the Closed Block as required by our Plan of Reorganization over the time period of its gradual diminution as policyholder benefits are paid in full. We are permitted under the Plan of Reorganization, with the prior consent of the Commissioner of Banking and Insurance for the State of New Jersey, to enter into agreements to transfer all or any part of the risks underlying the Closed Block policies.

Seasonality of Key Financial Items

The following chart summarizes our key areas of seasonality in our results of operations:

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
PGIM	Higher compensation expense(1)	Lower compensation expense	Lower compensation expense	Lower compensation expense
Group Insurance	Lowest underwriting gains	Higher underwriting gains	Higher underwriting gains	
Individual Life	Lowest underwriting gains	Higher underwriting gains	Highest underwriting gains	Lower underwriting gains
International Businesses	Highest premiums	Lower premiums	Lower premiums	Lowest premiums
Corporate & Other	Higher compensation expense(1)	Lower expenses	Lower expenses	Higher expenses
All Businesses		Impact of annual assumption updates(2)		Higher expenses(3)

(1) Long-term compensation expense for retirement eligible employees is recognized when awards are granted, typically in the first quarter of each year.
(2) Impact of annual reviews and update of assumptions and other refinements. Excludes PGIM.
(3) Expenses are typically higher than the quarterly average in the fourth quarter.

Intangible and Intellectual Property

We capture and protect the innovation in our financial services products by applying for federal business method patents and implementing copyright and trade secret controls, as appropriate. We also use numerous federal, state, common law and foreign service marks, including in particular “Prudential,” the “Prudential logo,” our “Rock” symbol and “PGIM.” We believe that the value associated with many of our patents, copyrights and trade secrets, and the goodwill associated with many of our service marks, are significant competitive assets.

Since 2004, we have had an agreement with Prudential plc of the United Kingdom (“U.K.”), with whom we have no affiliation, concerning the parties’ respective rights worldwide to use the names “Prudential” and “Pru.” Since 2019, the agreement has also included M&G plc of the U.K., the parent of The Prudential Assurance Company Limited, following its demerger from Prudential plc. The agreement restricts use of the “Prudential” and “Pru” names and marks in a number of countries outside the Americas, including Europe, Africa and most parts of Asia. Where these limitations apply, we combine our “Rock” symbol with alternative word marks. We believe that these limitations do not materially affect our ability to operate or expand internationally.

Regulation

Overview

Our businesses are subject to comprehensive regulation and supervision. The purpose of these regulations is primarily to protect our customers and the overall financial system and not necessarily our shareholders or debt holders. Many of the laws and regulations to which we are subject are regularly re-examined. Existing or future laws and regulations may become more restrictive or otherwise adversely affect our operations or profitability, increase compliance costs, or increase potential regulatory exposure. In recent years we have experienced, and expect to continue to experience, extensive changes in the laws and regulations, and regulatory frameworks applicable to our businesses. We cannot predict how current or future initiatives will further impact existing laws, regulations and regulatory frameworks.

The primary regulatory frameworks applicable to the Company are described further below.

U.S. Insurance Operations

Insurance Holding Company Regulation

We are subject to the insurance holding company laws in the states where our insurance subsidiaries are domiciled, which currently include New Jersey, Arizona and Indiana, or are treated as commercially domiciled, such as New York. These laws generally require each insurance company directly or indirectly owned by the holding company to register with the insurance department in the insurance company's state of domicile and to furnish annually financial and other information about the operations of companies within the holding company system, including an assessment of the group's risk management and current and future solvency position. Generally, all transactions among affiliates, including an insurer in the holding company system, must be fair and reasonable and, if material, require prior notice and approval or non-disapproval by the state's insurance department. In addition, most states, including the states where our U.S. insurance companies are domiciled, have insurance laws that require regulatory approval of a direct or indirect change of control of an insurer or an insurer's holding company.

The New Jersey Department of Banking and Insurance ("NJDOBI") acts as the group-wide supervisor of Prudential Financial pursuant to New Jersey legislation that authorizes group-wide supervision of internationally active insurance groups ("IAIGs"). The law, among other provisions, authorizes NJDOBI to examine Prudential Financial and its subsidiaries, including by ascertaining the financial condition of the insurance companies for purposes of assessing enterprise risk through, among other things, periodic examinations of the books and records, financial reporting, policy filings and market conduct. In accordance with this authority, NJDOBI receives information about the Company's operations beyond those of its New Jersey domiciled insurance subsidiaries. The National Association of Insurance Commissioners ("NAIC") has developed and implemented a group capital calculation that uses a risk-based capital ("RBC") aggregation methodology to serve as an additional tool to help state regulators assess potential risks.

State Insurance Regulation

State insurance laws regulate every aspect of our U.S. insurance operations. The insurance departments of all fifty states, the District of Columbia, and various U.S. territories and possessions oversee our activities. PICA is domiciled in New Jersey, with its primary regulatory authority being NJDOBI. Our other U.S. insurance companies are regulated principally by the insurance departments of their respective domicile states. Typically, insurance products require approval from state regulators in the jurisdiction where they are marketed.

State insurance authorities possess broad administrative powers concerning all aspects of insurance business, including, among other things: (1) licensing for business operations; (2) agent licensing; (3) asset admittance to statutory surplus; (4) regulation of premium rates for specific products; (5) policy form approvals; (6) oversight of unfair trade and claims practices; (7) establishment of reserve requirements and solvency standards; (8) determination of maximum interest rates on life insurance policy loans and minimum accumulation or surrender values; (9) regulation of permissible investments by type, amount, and valuation; and (10) oversight of reinsurance transactions, including captive reinsurers.

Insurance laws and regulations, including the NAIC's Insurance Holding Company Act Model #440, mandate that our U.S. insurers submit financial statements to domestic regulators pursuant to prescribed accounting practices and procedures. The operations and accounts of our insurance companies are subject to examination at any time by the domiciliary department. Under Model #440, most other states defer to the primary domestic supervisor for financial reporting and oversight, provided the supervisor's state maintains accreditation.

Surplus and Capital

Insurers are required to sustain capital and surplus at or above the minimum thresholds prescribed by their respective jurisdictions. Regulatory authorities retain the discretionary power to restrict or suspend an insurer's ability to offer policies if these requirements are not satisfied, or if continued operations are deemed potentially detrimental to policyholders.

Dividend Restrictions. State insurance laws generally limit the dividends and distributions an insurance subsidiary can pay its parent and restrict dealings with affiliates. Regulatory approval is required for dividends or affiliate transactions above set thresholds.

Risk-Based Capital. The majority of our U.S. insurance subsidiaries are governed by RBC requirements. RBC is calculated annually using a comprehensive formula that incorporates asset, premium, claim, expense, and statutory reserve factors, taking into account asset, insurance, interest rate, market, and business risk attributes.

Investments. U.S. state insurance laws restrict our subsidiaries' investments in certain assets and require portfolio diversification. Investments exceeding these limits are excluded from surplus calculations, and non-qualifying assets may need to be divested. Non-U.S. insurance subsidiaries also face investment regulations.

U.S. Federal and State Securities Regulation Affecting Insurance Operations

Our variable life insurance, variable annuity and mutual fund products generally are considered "securities" and therefore may be required to be registered and subject to regulation and reporting requirements under federal and/or state securities laws. Federal and state securities regulation may affect investment advice, sales and related activities with respect to these products.

Insurance Guaranty Association Assessments

Our U.S. and international insurance operations are subject to laws requiring insurers to be members and pay assessments covering certain obligations of insolvent insurers, typically based on each insurer's share of business within the relevant jurisdiction. For our U.S. insurance operations, we paid $10 million, $71 million, and $0.7 million in assessments for 2025, 2024, and 2023, respectively, and we have established an estimated $5 million reserve as of December 31, 2025, for future assessments related to insurance companies currently subject to insolvency proceedings. For our Japan insurance operations, there were no payments made for 2025, 2024 or 2023.

ERISA

The Employee Retirement Income Security Act ("ERISA") is a federal law regulating U.S. employee benefit plans sponsored by private employers and unions, covering pensions, profit-sharing, and welfare plans like health, life, and disability insurance. Certain provisions are also applicable to Individual Retirement Accounts ("IRAs"). ERISA sets rules for reporting and fiduciary conduct, and bans certain transactions, with civil and criminal penalties for violations. We offer services to ERISA plans and IRAs through our insurance, investment management and retirements businesses, including when acting as fiduciaries, and therefore we must comply with these rules, which can restrict business transactions with such plans and IRAs. Some services we provide rely on prohibited transaction exemptions such as the Qualified Professional Asset Manager ("QPAM") exemption. Loss of QPAM status or disqualification under other applicable exemptions—due to criminal convictions or non-prosecution or deferred prosecution agreements—could negatively affect our investment management and Prudential Advisors business.

Fiduciary Rules and Other Standards of Care

The Company and our distributors are subject to rules regarding the standard of care applicable to sales of our products and the provision of advice to our customers, including, among others, the U.S. Department of Labor ("DOL") fiduciary rule, the Securities and Exchange Commission ("SEC") Regulation Best Interest, and the National Association of Insurance Commissioners ("NAIC") and Japanese Financial Services Agency ("FSA") Standard of Care regulations. Under certain circumstances and subject to certain conditions, these rules and standards of care may require us to act in our retail customers' best interests and/or without placing our financial interest ahead of our customers' interests. Complying with these rules and standards of care has resulted in and may continue to cause increased compliance costs.

U.S. Investment and Retirement Products and Investment Management Operations

Our retirement and investment products and services are subject to federal and state securities and fiduciary laws, ERISA, and other laws and regulations. The SEC, the Financial Industry Regulatory Authority ("FINRA"), the Commodity Futures Trading Commission ("CFTC"), National Futures Association ("NFA"), state securities commissions, state banking and insurance departments, DOL and the Department of the Treasury are the principal U.S. regulators that regulate our U.S. retirement and investment management operations. In some cases, our domestic U.S. investment operations are also subject to non-U.S. securities laws and regulations.

Some of the separate account, registered fund and other pooled investment products offered by our businesses, in addition to being registered under the Securities Act, are registered as investment companies under the Investment Company Act of 1940, as amended, and the shares of certain of these entities are qualified for sale in some states and the District of Columbia. Separate account investment products are also subject to state insurance regulation as described above. We also have several subsidiaries that are registered as broker-dealers under the Securities Exchange Act of 1934 ("Exchange Act"), as amended, and are subject to federal and state regulation. In addition, we have subsidiaries that are investment advisers registered under the Investment Advisers Act of 1940, as amended. Our employees, as well as third-party advisors and licensed sales professionals within Prudential Advisors, insofar as they sell products that are securities, are subject to the Exchange Act and to examination requirements and regulation by the SEC, FINRA and state securities commissioners. Regulation and examination requirements also extend to various Prudential entities that employ or control those individuals.

We are also subject to the Setting Every Community Up for Retirement Enhancement ("SECURE") Act, together with SECURE 2.0 (collectively, the "SECURE Act"), designed to broaden retirement plan access and savings. The SECURE Act makes pooled employer plans easier for small businesses, mandates coverage for long-term part-time workers, raises auto-enrollment caps, increases the minimum withdrawal age, removes IRA contribution age limits, and streamlines options for guaranteed lifetime income through annuity provider provisions.

U.S. Securities and Commodity Operations

We have subsidiaries that are broker-dealers or investment advisers. The SEC, the CFTC, state securities authorities, FINRA, the NFA, the Municipal Securities Rulemaking Board, and similar authorities are, as applicable, the principal regulators of these subsidiaries.

Our broker-dealer and commodities affiliates, regulated by organizations like FINRA and the NFA, must comply with rules on sales methods, trading practices, investment suitability, customer asset protection, capital adequacy, recordkeeping, and conduct. State and federal agencies, as well as self-regulatory bodies, oversee these activities and can impose penalties such as fines, suspensions, or other restrictions. Additionally, our U.S. broker-dealer subsidiaries are subject to federal net capital requirements that may limit their dividend payments to Prudential Financial.

International Insurance Operations

Our international insurance operations are principally supervised by regulatory authorities in the jurisdictions in which they operate. Our insurance operations in Japan are regulated by the FSA. Our Bermuda entities, including Gibraltar Reinsurance Company Ltd. and Lotus Reinsurance Company Ltd., as well as Prismic, in which Prudential has a significant equity interest, are regulated by the Bermuda Monetary Authority (the "BMA"). In addition to Japan and Bermuda, we operate insurance companies in Brazil and Mexico, and have insurance operations in China, India and Indonesia through joint ventures. We also have strategic investments in insurance operations in Ghana, Kenya and South Africa. The insurance regulatory bodies for these businesses typically oversee such issues as: (1) company licensing; (2) the licensing of insurance sales staff; (3) insurance product approvals; (4) sales practices; (5) claims payment practices; (6) permissible investments; (7) solvency and capital adequacy (similar to the RBC ratios employed by U.S. insurance regulators); (8) insurance reserves; (9) privacy; and (10) anti-money laundering and financial crimes, among other items. In some jurisdictions, for certain products, regulators will also mandate premium rates (or components of pricing) or minimum guaranteed interest rates. Regulators employ methods such as periodic audits of insurance company books and records, financial reporting obligations, market conduct examinations, and policy submission requirements to oversee our international insurance operations. Finally, insurance regulatory authorities in certain jurisdictions in which our insurance companies are domiciled, including Japan, must approve any change of control of the insurance companies organized under their laws.

Our Japan insurance operations are currently subject to a market-based capital standard called the Economic Solvency Ratio ("ESR"), which became effective in April 2025, with disclosure under the new framework required in 2026.

International Investment and Retirement Products and Investment Management Operations

Our non-insurance international operations are supervised primarily by regulatory authorities in the countries in which they operate. We operate investment-related businesses in, among other jurisdictions, Japan, Taiwan, the U.K., Ireland, India, Hong Kong, Mexico, Germany, Luxembourg, the Netherlands, Switzerland, China and Singapore, and participate in investment-related joint ventures in China and South Africa and in a retirement related joint venture with operations in Chile, Peru and Colombia. These businesses may provide products such as investment management products and services, funds, separately managed accounts and retirement products. The regulatory authorities for these businesses typically oversee such issues as: (1) company licensing; (2) the licensing of investment product sales staff; (3) sales practices; (4) solvency and capital adequacy; (5) fund product approvals and related disclosures; and (6) securities, commodities, retirement, pension and related laws, among other items. In some cases, our international investment operations are also subject to U.S. securities laws and regulations.

Derivatives Regulation

Prudential Financial and our subsidiaries use derivatives for various purposes, including hedging interest rate, foreign currency, equity market and other exposures. The Dodd-Frank Wall Street Reform and Consumer Protection Act ("Dodd-Frank") established a framework for regulation by both the SEC and the CFTC of the over-the-counter derivatives markets. This framework sets out requirements regarding the clearing and reporting of derivatives transactions, as well as collateral posting requirements. Affiliated swaps entered into between our subsidiaries are generally exempt from most of these requirements.

Privacy, Data Protection and Cybersecurity Regulation

We are subject to U.S. federal and state laws, regulations, and directives that require (1) financial institutions and other businesses to protect the confidentiality, integrity, and availability of personal, proprietary, and other non-public information, including intellectual property, health-related and customer information; and (2) disclosure to customers and other appropriate individuals regarding the collection, disclosure and use of such information. We are also required to comply with international privacy laws, regulations and directives, including those affecting data privacy and protection and cross-border data transfers. Some countries mandate local data processing or storage, which may increase costs and affect operational efficiency and how products and services are offered in those countries. Generally, these U.S. and international laws, regulations and directives may require:

- protecting sensitive personal information, such as national identifier numbers (e.g., social security numbers) or racial or ethnic origin, from unauthorized use or disclosure;
- providing individuals with certain rights over their personal information, such as the right to access, correct, or delete their personal information;
- notifying affected individuals, regulators and others if there is a breach of the confidentiality, integrity, or availability of certain personal or confidential information;
- implementing programs to detect, prevent, and mitigate identity theft;
- identification of permissible uses for personal information, such as customer information and consumer report information and permissible telemarketing calls, e-mails, texts, and other consumers and customers communications;
- oversight of third parties that have access to, and handle, personal or confidential information;

Regulatory and legislative activity in the areas of privacy, data protection, and cybersecurity continues to increase worldwide. Financial regulators in the U.S. and international jurisdictions in which we operate continue to focus on data privacy and cybersecurity, including rulemaking and examinations of regulated entities, and have communicated heightened expectations. For example, the EU's General Data Protection Regulation ("GDPR") and UK's Data Protection Act of 2018, as amended by the Data (Use and Access) Act of 2025, impose stringent rules and penalties. GDPR applies to any Prudential unit handling EU personal data. Other countries, such as Brazil, India, Japan, Argentina, and China, have adopted or are considering similar laws. In the U.S., new privacy laws are frequently proposed, including recent amendments to the Gramm-Leach-Bliley Act. The California Consumer Privacy Act and the California Privacy Rights Act grant broad rights and create strict obligations, with other states introducing similar laws and more expected nationwide and globally.

The NAIC Insurance Data Security Model Law, which has been adopted by more than 20 states, requires insurers to implement robust cybersecurity measures. In 2023, the NAIC released updated model privacy legislation, which states started adopting in 2024. New York, for example, has expanded its regulation, creating additional requirements. These laws increase compliance demands, noncompliance risks, and the potential for enforcement and reputational risk.

For additional information regarding our cybersecurity risk management and governance, see "Item 1C. Cybersecurity."

Artificial Intelligence

Regulatory standards relating to the use of artificial intelligence ("AI") are evolving in the countries where we do business, and our use of AI may increase risks associated with bias, unfair discrimination, transparency, and information security. For example, the E.U. is in the process of introducing new regulations applicable to certain AI technologies and to the data used to train, test and deploy them. U.S. state regulators have also shown increasing concern about the use of AI and the potential for discrimination and bias in insurance practices. For example, in July 2024, the New York Department of Financial Services adopted Insurance Circular Letter No. 7 Re: Use of Artificial Intelligence Systems and External Consumer Data and Information Sources in Insurance Underwriting and Pricing, which imposes obligations on insurers using AI or external consumer data and information sources. In May 2024, Colorado passed Senate Bill 24-205 ("the Colorado AI Law"), which becomes effective on February 1, 2026, regulates certain AI systems, and imposes obligations on AI system deployers and developers doing business in Colorado. The application of existing law and introduction of new or revised laws and regulations may require changes in our operations, increased compliance costs and reduce benefits from our adoption of artificial intelligence technologies.

Anti-Money Laundering and Anti-Bribery Laws

Our businesses are subject to various anti-money laundering and financial transparency laws and regulations that seek to promote cooperation among financial institutions, regulators and law enforcement entities in identifying parties that may be involved in terrorism or money laundering. In addition, under current U.S. law and regulations we may be prohibited from dealing with certain individuals or entities in certain circumstances and we may be required to monitor customer activities, which may affect our ability to attract and retain customers. We are also subject to various laws and regulations relating to corrupt and illegal payments to government officials and others, including the U.S. Foreign Corrupt Practices Act and the U.K.'s Anti-Bribery Law. The obligation of financial institutions, including the Company, to identify their clients, to monitor for and report suspicious transactions, to monitor dealings with government officials, to respond to requests for information by regulatory authorities and law enforcement agencies, and to share information with other financial institutions, has required the implementation and maintenance of internal practices, procedures and controls.

Environmental Laws and Regulations

Federal, state and local environmental laws and regulations apply to our ownership and operation of real property. Inherent in owning and operating real property are the risks of hidden environmental liabilities and the costs of any required clean-up. Although unexpected environmental liabilities can always arise, we seek to minimize this risk by undertaking environmental assessments, among other measures prior to taking title to real estate.

In addition, certain states, including California, and the NAIC, require us to publicly report information about the Company's greenhouse gas emissions and climate-related risks and opportunities.

Unclaimed Property Laws

We are subject to the laws and regulations of states and other jurisdictions concerning the identification, reporting and escheatment of unclaimed or abandoned funds, and we are subject to audit and examination for compliance with these requirements. For additional discussion of these matters, see Note 25 to the Consolidated Financial Statements.

Taxation

We are subject to income, premium, employment, excise, sales and other taxes related to both our U.S. and international operations. In addition, the life insurance, annuity, retirement and investment products we sell are subject to income and other taxes. Changes in the tax laws in the U.S. and internationally could adversely impact our tax position, make our products less attractive to customers, and/or adversely impact the profitability of such products. See "Income Taxes" in Note 2 to the Consolidated Financial Statements and Note 17 to the Consolidated Financial Statements for a description of the Company's tax position and the impact of certain tax regulation.

International and Global Regulatory Initiatives

The Group of Twenty nations ("G20"), the Financial Stability Board ("FSB") and related bodies have developed proposals to address issues such as financial group supervision, capital and solvency standards, systemic risk, corporate governance including executive compensation, climate-related financial risks, and a host of related issues. The International Association of Insurance Supervisors ("IAIS"), the global standard setting body for the insurance sector, contributes to the work of G20 and FSB through the development of standards that are intended to promote effective and globally consistent supervision and maintain fair, safe and stable insurance markets. As a standard setting body, the IAIS does not have direct authority to require insurance companies to comply with the standards it develops. However, the Company and its businesses could become subject to them if they were adopted by their respective regulators, which could impact the manner in which we deploy our capital, structure and manage our businesses, and otherwise operate both within the U.S. and abroad.

Human Capital Resources

As of December 31, 2025, our employee population was comprised as set forth in the tables below:

Global Employee Profile

Region	Number of Employees(1)	Full-time Equivalent Positions(2)
U.S.	13,879	13,687
Non-U.S.	22,945	22,920
Total	36,824	36,607

(1) Excludes independent contractors and other individuals classified as non-employees in their respective jurisdictions.
(2) Represents the total number of full-time equivalent positions and does not reflect the total number of individual employees as some work part-time.

Prudential's Board of Directors, including its Corporate Governance and Business Ethics Committee, has oversight responsibility for our human capital resources, inclusive practices, and corporate culture. Human capital is discussed by management at every Board meeting and, at least once per year, the Board devotes time to discuss human capital at each business and functional leadership level across the Company.

Attracting Employees

Prudential is focused on attracting top-tier talent. We invest in cultivating a robust talent pipeline with diverse experiences, backgrounds, and skills to pursue our business goals by collaborating with external partners, utilizing innovative candidate sourcing tools, and enhancing our brand presence at industry events and conferences. Our recruitment process is designed to emphasize aligned skills and meritocratic principles, so we can position qualified talent in roles that best advance our organizational goals.

Developing Employees

We believe that our success is linked with the success of our employees. When they have the development tools and support they need to do their best work, the Company benefits. The talent practices and platforms we utilize have been designed to ensure all employees have the resources necessary to enhance their skills. Available resources include, among other things, on-demand learning content, coaching circles, and live learning events. Eligible U.S. employees are also required to participate in a suite of training courses on critical topics including, among other things, our code of conduct, security and safety, social media standards, and digital communication.

Retaining Employees

We believe that our rigorous talent acquisition process, provision of opportunities for professional enrichment and advancement throughout our employees' careers, and our inclusive culture will enhance our ability to retain employees.

Prudential conducts a global employee survey, known as the "EQ Survey." The EQ Survey solicits feedback on employee experiences related to Company culture, opportunities for growth and meaningful work, and the clarity, support, and collaboration provided by managers and teams. The results of the EQ Survey influence how we strengthen our culture and implement change within the Company. In 2025, 91% of our eligible global employees responded to the EQ Survey.

Prudential's annual turnover rate among its U.S. workforce (including voluntary and involuntary terminations) in 2025 was 10.3%. Voluntary turnover among Prudential's U.S. workforce was 5.1%. In 2025, Prudential filled approximately 1,600 positions in the United States and 32% of those positions were filled internally.

Compensation Program and Retirement Plans

The philosophy underlying our compensation program is to provide an attractive, flexible, and market-based total compensation program tied to performance and aligned with the interests of our shareholders. Our objective is to recruit and retain the caliber of employees necessary to deliver sustained high performance to our shareholders, customers, and communities. Our compensation program is an important component of these overall human resources policies. Equally important, we view compensation practices as a means for communicating our goals and standards of conduct and performance and for motivating and rewarding employees in relation to their achievements.

We view retirement benefits as a key component of our compensation program because they encourage long-term service. Accordingly, we offer our employees a comprehensive benefits program that provides the opportunity to accumulate retirement income. This program includes both defined benefit and defined contribution plans.

Periodically, we compare the competitiveness of our benefits programs for our employees, including retirement benefits, against other employers with whom we broadly compete for talent. It is our objective to provide our employees with a benefits package that is at or around the median of the competitive market when compared to other employers.

Available Information

Prudential Financial files periodic and current reports, proxy statements, and other information with the SEC. Such reports, proxy statements, and other information may be obtained through the SEC's website (www.sec.gov).

You may also access our press releases, financial information, and reports filed with the SEC (for example, our Annual Report on Form 10-K, our Quarterly Reports on Form 10-Q, our Current Reports on Form 8-K, and any amendments to those Forms) online at www.investor.prudential.com. Copies of any documents on our website are available without charge, and reports filed with or furnished to the SEC will be available as soon as reasonably practicable after they are filed with or furnished to the SEC. The information found on our website is not part of this or any other report filed with or furnished to the SEC.

Information About Our Executive Officers

The names of the executive officers of Prudential Financial and their respective ages and positions, as of February 12, 2026, were as follows:

Name	Age	Title	Other Public Directorships
Andrew F. Sullivan	55	President and Chief Executive Officer	None
Ann M. Kappler	67	Executive Vice President, General Counsel and Head of Corporate Affairs	None
Yanela C. Frias	53	Executive Vice President and Chief Financial Officer	None
Jacques P. Chappuis	56	President and Chief Executive Officer, PGIM	None
Phil Waldeck	64	Executive Vice President and Head of U.S. Businesses	None
Vicki A. Walia	45	Executive Vice President and Chief People Officer	None
Scott E. Case	55	Executive Vice President and Head of Global Technology and Operations	None
Timothy L. Schmidt	67	Senior Vice President and Chief Investment Officer	None

Biographical information about Prudential Financial's executive officers is as follows:

Andrew F. Sullivan was elected President, Chief Executive Officer and Director of Prudential Financial and PICA in March 2025. Prior to assuming his current role, he served as Executive Vice President and Head of International Businesses and Global Investment Management from January 2023 to March 2025. Before that, he served as Executive Vice President and Head of U.S. Businesses from December 2019 to December 2022. He also served as CEO of Prudential's Workplace Solutions Group, which consisted of Prudential Retirement and Prudential Group Insurance. Prior to joining Prudential in 2011, he served as Senior Vice President at CareFirst BlueCross BlueShield. Previously, he spent eight years at Cigna where he held a number of senior leadership positions. He also held management roles at Diamond Technology Partners and DaimlerChrysler.

Ann M. Kappler was elected Executive Vice President and General Counsel for Prudential Financial and PICA in September 2020, and was named the Company's Head of Corporate Affairs in March 2025. Previously, she served as Senior Vice President, Deputy General Counsel and Head of External Affairs from 2015 to 2020. She had served in various supervisory positions since 2009, including Deputy General Counsel and Head of External Affairs from 2014 to 2015, Chief Legal Officer for Litigation and Regulation from 2012 to 2014, and Chief Legal Officer for Corporate Services from 2009 to 2012. Prior to joining Prudential in 2009, she was a Partner at Wilmer Cutler Pickering Hale and Dorr, General Counsel at Fannie Mae, and a Litigation Partner at Jenner & Block. She started her career as a Judicial Law Clerk at the U.S. Supreme Court and the U.S. Court of Appeals, D.C. Circuit.

Yanela C. Frias was elected Executive Vice President and Chief Financial Officer of Prudential Financial and PICA in March 2024. Prior to this role, she was President of Prudential's Group Insurance business from October 2021 to March 2024. Previously, she served as President of Prudential Retirement from 2019 to 2021 and as Head of Investment & Pension Solutions from 2017 to 2019. She also held various positions within Prudential, including serving as Chief Financial Officer for Prudential's Individual Annuities and Individual Life Insurance businesses. Ms. Frias joined Prudential in 1997.

Jacques P. Chappuis was elected President and Chief Executive Officer of PGIM in March 2025. Prior to joining Prudential, he served as the co-head of Morgan Stanley Investment Management and as a member of the Morgan Stanley Management Committee. From 2016 to 2023, he was global head of Distribution and co-head of the Solutions and Multi-Asset Group for MSIM. He also served as head of Investment Solutions at The Carlyle Group from 2013 to 2016 and, prior to that, held senior leadership roles in Morgan Stanley's Investment Management and Wealth Management businesses. Prior to Morgan Stanley, he was head of alternative investments for Citigroup's Global Wealth Management Group and earlier a managing director at Citigroup Alternative Investments. He was also a consultant at the Boston Consulting Group and an investment banker at Bankers Trust Company.

Phil Waldeck was elected Executive Vice President and Head of U.S. Businesses for Prudential Financial and PICA in February 2026. Prior to this role, he served as head of Multi-Asset and Quantitative Solutions at PGIM from October 2021 to February 2026. Previously, he was Senior Vice President and Chief Transformation Officer for Prudential Financial from February 2020 to October 2021. Earlier, he served as Chief Executive Officer of Prudential's Workplace Solutions Group and, prior to that, as President of Prudential's Retirement group. Prior to joining Prudential in 2004, he was Senior Vice President in Cigna's retirement business.

Vicki A. Walia was elected Executive Vice President and Chief People Officer of Prudential Financial and PICA in March 2025. Prior to this role, she served as head of Human Resources for the U.S. businesses and PGIM from April 2022 to March 2025. Previously, she was Chief Talent and Capability Officer from 2018 to 2022. Prior to joining Prudential in 2018, she was head of People at Moody's Analytics. From 2007 to 2017, she held a number of senior leadership roles at AllianceBernstein, cumulating as head of Digital Strategy and Innovation. She began her career at Development Dimensions International.

Scott E. Case was elected Executive Vice President and Head of Global Technology and Operations for Prudential Financial and PICA in November 2024. Prior to joining Prudential, he served as Chief Information Officer at Truist from 2019 to 2024. Prior to Truist, he was Chief Technology Officer at SunTrust for the company's consumer segment. He also held various positions at John Hancock, First Union National Bank, and Bank of America.

Timothy L. Schmidt was elected Senior Vice President and Chief Investment Officer of Prudential Financial and PICA in December 2018. He chairs the Senior Asset Liability Committee and serves as Prudential's representative to the Institute of International Finance's Committee on Asset and Investment Management. Previously, he served as Head of Global Portfolio Management for Prudential from 2012 to 2018 and, prior to that, he was responsible for the overall asset/liability management for Prudential's Retirement and Group Insurance businesses. Prior to joining Prudential in 2010, he was Chief Financial Officer for MetLife's Individual Business and had headed MetLife's Wealth Strategy Group. Earlier in his 25-year tenure at MetLife, he held various positions in the investment organization, including Head of MetLife's Portfolio Management Unit, as well as its Structured Finance and Government Securities unit.

ITEM 1A. RISK FACTORS

You should carefully consider the following risks. Some of the factors, events, and contingencies discussed below may have occurred in the past, and the disclosures below are not representations as to whether or not the factors, events, or contingencies have occurred in the past but are provided because future occurrences of such factors, events, or contingencies could have a material adverse impact on our results of operations and financial condition. Additional risks to which we are subject include, but are not limited to, the factors mentioned under "Forward-Looking Statements" above and the risks of our businesses described elsewhere in this Annual Report on Form 10-K. Many of these risks are interrelated and could occur under similar business and economic conditions, and the occurrence of certain of them may in turn cause the emergence or exacerbate the effect of others. Such a combination could materially increase the severity of the impact of these risks on our businesses, results of operations, financial condition and liquidity.

Overview

The Company uses an integrated risk management framework to manage and oversee its risks. The Company's risks include investment, insurance, market, liquidity, operational, and model risk as well as strategic risks that may cause the Company's core business model to change, either through a shift in the businesses in which it is engaged or a change in execution. The Company's strategic risks include regulatory and technological changes and other external factors. The Company's risks are further discussed below. Our risk management framework is described under "Management's Discussion and Analysis of Financial Condition and Results of Operations—Risk Management."

Investment Risk

Our investment portfolios are subject to the risk of loss due to default or deterioration in credit quality or value.

We are exposed to investment risk through our investments, which primarily consist of public and private fixed maturity securities, commercial mortgage and other loans, structured finance, equity securities and alternative assets including private equity, hedge funds and real estate. For a discussion of our general account investments, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—General Account Investments." We are also exposed to investment risk through a potential counterparty default.

Investment risk may result from (1) economic conditions, (2) adverse capital market conditions, including disruptions in individual market sectors or a lack of buyers in the marketplace, (3) volatility, (4) credit spread changes, (5) benchmark interest rate changes, (6) changes in foreign currency exchange rates and (7) declines in value of underlying collateral. These factors may impact the credit quality, liquidity and value of our investments and derivatives, potentially resulting in higher capital charges and unrealized or realized losses. Also, certain investments we hold, regardless of market conditions, are relatively illiquid and our ability to promptly sell these assets for their full value may be limited. Additionally, our valuation of investments may include methodologies, inputs and assumptions, which could result in changes to investment valuations that may materially impact our results of operations or financial condition. For information about the valuation of our investments, see Note 6 to the Consolidated Financial Statements.

Our investment portfolio is subject to credit risk, which is the risk that an obligor (or guarantor) is unable or unwilling to meet its contractual payment obligations on its fixed maturity security, loan or other obligations. Credit risk may manifest in an idiosyncratic manner (i.e., specific to an individual borrower or industry) or through market-wide credit cycles. Financial deterioration of the obligor increases the risk of default and may increase the capital charges required under the regulatory frameworks we are subject to, potentially limiting our overall capital flexibility. Credit defaults (as well as credit impairments, realized losses on credit-related sales, and increases in credit related reserves) may result in losses which adversely impact earnings, capital and our ability to appropriately match our liabilities and meet future obligations.

The Company is subject to counterparty risk, which is the risk that the counterparty to a transaction could default or deteriorate in creditworthiness before or at the final settlement of a transaction. In the normal course of business, we enter into financial contracts to manage risks (such as derivatives and reinsurance treaties), improve the return on investments (such as securities lending and repurchase transactions) and provide sources of liquidity or financing (such as credit agreements, securities lending agreements and repurchase agreements). Reinsurance may also be used to further strategic goals of the Company by facilitating the transfer of risk of a block of liabilities if an entity purchase or sale is not practical. These transactions expose the Company to counterparty risk. Counterparties include commercial banks, investment banks, broker-dealers, and insurance and reinsurance companies. In the event of a counterparty deterioration or default, we may incur replacement costs necessary to reallocate the transaction to a new counterparty. Also, bespoke transactions (e.g., strategic and asset intensive reinsurance) entail less liquid investments and are typically difficult to hedge, possibly requiring us to recapture

liabilities and reestablish or strengthen reserves and capital, which could reduce capital flexibility. The magnitude of the losses (e.g., replacement costs) will depend on current market conditions, the complexity of the transaction, and the time required to restructure or replace the transaction. Losses will likely be higher under stressed conditions.

Our investment portfolio is subject to equity risk, which is the risk of loss due to deterioration in market value of public equity or alternative assets. We include public equity and alternative assets (including private equity, hedge funds and real estate) in our portfolio constructions, and these investments have varying degrees of price transparency. Equities traded on stock exchanges (public equities) have significant price transparency, as transactions are often required to be disclosed publicly. Assets with less price transparency include private equity (joint ventures/limited partnerships) and direct real estate. As these investments typically do not trade on public markets and indications of realizable market value may not be readily available, valuations can be infrequent and/or more volatile. A sustained decline in public equity and alternative markets may reduce the returns earned by our investment portfolio through lower-than-expected dividend income, property operating income, and capital gains, thereby adversely impacting earnings, capital, and product pricing assumptions. These assets may also produce volatility in earnings as a result of uneven distributions on the underlying investments.

Insurance Risk

We have significant liabilities for policyholders' benefits which are subject to insurance risk. Insurance risk is the risk that actual experience deviates adversely from our insurance assumptions, including mortality, morbidity, and policyholder behavior assumptions.

We provide a variety of insurance products, on both an individual and group basis, that are designed to help customers protect against a variety of financial uncertainties. Our insurance products protect customers against their potential risk of loss by transferring those risks to the Company, where those risks can be managed more efficiently through pooling and diversification over a larger number of independent exposures. During this transfer process, we assume the risk that actual losses experienced in our insurance products deviate significantly from what we expect. More specifically, insurance risk is concerned with the deviations that impact our future liabilities. Our profitability may decline if mortality experience, morbidity experience or policyholder behavior experience differ significantly from our expectations when we price our products. In addition, if we experience higher than expected surrenders, withdrawals or claims, our liquidity position may be adversely impacted, and we may incur losses on investments if we are required to sell assets in order to fund surrenders, withdrawals or claims. If it is necessary to sell assets at a loss, our results of operations and financial condition could be adversely impacted. For a discussion of the impact of changes in insurance assumptions on our financial condition, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Accounting Policies and Pronouncements—Application of Critical Accounting Estimates—Insurance Liabilities."

Certain of our insurance products are subject to mortality risk, which is the risk that actual deaths experienced deviate adversely from our expectations. Mortality risk is a biometric risk that can manifest in the following ways:

- *Mortality calamity* is the risk that mortality rates in a single year deviate adversely from our expectations as the result of drivers such as pandemics, natural or man-made disasters, military actions or terrorism. A mortality calamity event will reduce our earnings and capital and we may be forced to liquidate assets before maturity in order to pay the higher than expected level of claims. Mortality calamity risk is more pronounced in respect of specific geographic areas (including major metropolitan centers where we have concentrations of customers, including under group and individual life insurance, concentrations of employees or significant operations) and in respect of countries and regions in which we operate that are subject to a greater potential threat of military action or conflict. Ultimate losses would depend on several factors, including the rates of mortality and morbidity among various segments of the insured population, the collectability of reinsurance, the possible macroeconomic effects on our investment portfolio, the effect on lapses and surrenders of existing policies, as well as sales of new policies and other variables.
- *Mortality trend* is the risk that mortality improvements in the future deviate from our expectations. Mortality trend is a long-term risk that could emerge gradually over time. Longevity products, such as annuities, pension risk transfer and long-term care, may experience adverse impacts due to higher-than-expected mortality improvement. Mortality products, such as life insurance, experience adverse impacts due to lower-than-expected mortality improvement. If this risk were to emerge, the Company would update assumptions used to calculate reserves for in-force business, which may result in additional assets needed to meet the higher expected annuity claims or earlier expected life claims. An increase in reserves due to revised assumptions could have an immediate adverse impact on our results of operations and financial condition, and economically the impact can be long term as the excess outflow is paid over time.
- *Mortality base* is the risk that actual base mortality deviates adversely from what is expected in pricing and valuing our products. Base mortality risk can arise from a lack of credible data on which to base the assumptions.

We manage mortality risk primarily through our underwriting practices. We use a variety of other strategies to further manage our mortality risks, including the use of reinsurance, derivative instruments and diversification of our product portfolio. These strategies, however, may not be fully effective and may lead to payments to counterparties in excess of recoveries depending on how actual mortality experience emerges and on future changes in the level of premiums we pay to reinsurers.

Certain of our insurance products are subject to morbidity risk, which is the risk that either incidence, utilization or continuation experience deviates adversely from our expectations. Morbidity risk is a biometric risk that can manifest in the following ways:

- *Morbidity incidence* is the risk that the rate at which policyholders become unhealthy (and qualify for benefits under insurance policies) deviates adversely from what is expected. We are exposed to morbidity incidence risk primarily through short-term disability, long-term disability and long-term care products in the U.S., and through accident and health products in Japan.
- *Morbidity utilization* is the risk that policyholder morbidity benefit utilization (relative to available maximum benefits) deviates adversely from our expectations. This risk relates primarily to our long-term care products.
- *Morbidity continuation* is the risk that the length of time for which policyholders remain unhealthy deviates adversely from what is expected. This risk is primarily in our disability and long-term care products.

In each case, an increase in claims, or an increase in reserves due to revised morbidity assumptions can have an immediate adverse impact on our results of operations and financial condition, and the economic impact can be long-term as the morbidity claims are paid.

Certain of our insurance products are subject to policyholder behavior risk, which is the risk that actual policyholder behavior deviates adversely from our expectations. Policyholder behavior risk can manifest in the following ways:

- *Lapse calamity* is the risk that lapse rates over the short-term deviate adversely from our expectations. For example, surrenders of certain insurance products may increase following a downgrade of our financial strength ratings or adverse publicity. Only certain products are exposed to this risk. Products that offer a cash surrender value that resides in the general account, such as non-participating whole life products, could pose a potential short-term lapse calamity risk. Surrender of these products can impact liquidity, and it may be necessary in certain market conditions to sell assets to meet surrender demands. Lapse calamity can also affect our earnings and capital through its impact on estimated future profits.
- *Policyholder behavior (long-term) risk* is the risk that the behavior of our customers or policyholders deviates adversely from our expectations over the long-term. This risk arises through product features which provide some degree of choice or flexibility for the policyholder, which can impact the amount and/or timing of claims. Such choices include surrender, lapse, partial withdrawal, policy loan utilization, and premium payment rates for contracts with flexible premiums. Policyholder behavior is driven by factors outside of our control, including macro factors such as market movements, as well as by policyholders' individual needs, which may differ significantly from product to product depending on many factors including the features offered, the approach taken to market each product, and competitor pricing. For example, persistency (the probability that a policy or contract will remain in force) within our annuities business may be significantly impacted by the value of guaranteed minimum benefits contained in many of our variable annuity products being higher than current account values in light of poor market performance as well as other factors. Many of our products also provide our customers with wide flexibility with respect to the amount and timing of premium deposits and the amount and timing of withdrawals from the policy's value. Results may vary based on differences between actual and expected premium deposits and withdrawals for these products, especially if these product features are relatively new to the marketplace. The pricing of certain of our variable annuity products that contain certain living benefit guarantees is also based on assumptions about utilization rates, or the percentage of contracts that will utilize the benefit during the contract duration, including the timing of the first withdrawal. Results may vary based on differences between actual and expected benefit utilization. We may also be impacted by customers seeking to sell their benefits. In particular, the development of a secondary market for life insurance, including life settlements or "viaticals" and investor-owned life insurance, and third-party investor strategies in the annuities business, could adversely affect the profitability of existing business and our pricing assumptions for new business. An increase in reserves due to revised assumptions could have an immediate adverse impact on our results of operations and financial condition, and the economic impact can be long-term as the excess outflow is paid.

Our ability to reprice products is limited and may not compensate for deviations from our expected insurance assumptions. Although some of our products permit us to increase premiums or adjust other charges and credits during the life

of the policy or contract, the adjustments permitted under the terms of the policies or contracts may not be sufficient to maintain profitability or may cause the policies or contracts to lapse. For example, for our long-term care insurance products, our assumptions for reserves for future policy benefits have factored in an estimate of the timing and amount of anticipated and yet-to-be-filed premium rate increases, including those which may require state approval. Our actual experience obtaining pricing increases could be materially different than what we have assumed, resulting in further policy liability increases which could be material. Many of our products do not permit us to increase premiums or adjust other charges and credits or limit those adjustments during the life of the policy or contract. Even if permitted under the policy or contract, other factors may impact our decision whether to raise premiums or adjust other charges sufficiently, or at all. Accordingly, significant deviations in actual experience from our pricing assumptions could have an adverse effect on the profitability of our products.

Market Risk

The profitability of many of our insurance and annuity products, as well as the fees we earn in our investment management business, are subject to market risk. Market risk is the risk of loss from changes in interest rates, equity prices and foreign currency exchange rates.

The profitability of many of our insurance and annuity products depends in part on the value of the separate accounts supporting these products, which can fluctuate substantially depending on market conditions. Market conditions resulting in reductions in the value of assets we manage have an adverse effect on the revenues and profitability of our investment management business, which depends on fees related primarily to the value of assets under management, and could decrease the value of our strategic investments.

Derivative instruments that we use to hedge and manage foreign exchange, interest rate and equity market risks associated with our products and businesses, and other risks might not perform as intended or expected, resulting in higher-than-expected realized losses and stresses on liquidity and/or regulatory capital. Market conditions can limit availability of hedging instruments, require us to post additional collateral, and further increase the cost of executing product related hedges and such costs may not be recovered in the pricing of the underlying products being hedged.

Market risk may limit opportunities for investment of available funds at desired returns, including due to the prevailing interest rate environment, or other factors, with possible negative impacts on our overall results. Limited opportunities for attractive investments may lead to holding cash for long periods of time and an increased use of derivatives for duration management and other portfolio management purposes. The increased use of derivatives or portfolio rebalancing may increase the volatility of our U.S. GAAP results and our statutory capital.

Our investments, results of operations and financial condition may also be adversely affected by developments in the global economy, in the U.S. economy (including as a result of actions by the Federal Reserve with respect to interest rate and monetary policy, and adverse political developments), and in the Japanese economy (including due to the effects of inflation or deflation, interest rate volatility, changes in the Japan sovereign credit rating, and material changes in the value of the Japanese yen relative to the U.S. dollar). Global, U.S. or Japanese economic activity and financial markets may in turn be negatively affected by adverse developments or conditions in specific geographical regions.

For a discussion of the impact of changes in market conditions on our financial condition see “Item 7A. Quantitative and Qualitative Disclosures About Market Risk.”

Our insurance and annuity products and certain of our investment products, and our investment returns, are subject to interest rate risk, which is the risk of loss arising from asset/liability duration mismatches within our general account investments as well as invested assets of other entities and operations. The risk of mismatch in asset/liability duration is mainly driven by the specific dynamics of product liabilities. For example, some product liabilities generate long-term cash flows (i.e., 30 years or more), resulting in significant interest rate risk, since these cash flows cannot be matched by assets for sale in the marketplace, exposing the Company to future reinvestment risk. In addition, certain of our products provide for recurring premiums which may be invested at interest rates lower than the rates included in our pricing assumptions. Market-sensitive cash flows exist with other product liabilities including products whose cash flows can be linked to market performance through secondary guarantees, minimum crediting rates, and/or changes in insurance assumptions.

Our exposure to interest rates can manifest over years as in the case of earnings compression or in the short term by creating volatility in both earnings and capital. For example, some of our products expose us to the risk that changes in interest rates will reduce the spread between the amounts that we are required to pay under contracts and the rate of return we are able to earn on our general account investments supporting these contracts. When interest rates decline or remain low, we must invest in lower-yielding instruments, potentially reducing net investment income and constraining our ability to offer certain

products. This risk is increased as more policyholders may retain their policies in a low rate environment. Since many of our policies and contracts have guaranteed minimum crediting rates or limit the resetting of crediting rates, the spreads could decrease or go negative.

Alternatively, when interest rates rise, we may not be able to replace the assets in our general account with the higher-yielding assets as quickly as needed to fund the higher crediting rates necessary to keep these products and contracts competitive. It is possible that fewer policyholders may retain their policies and annuity contracts as they pursue higher crediting rates, which could expose the Company to losses and liquidity stress. In addition, rising interest rates could cause a decline in the market value of fixed income assets the Company manages which in turn could result in lower asset management fees earned. Rapidly rising interest rates may also adversely impact, and have adversely impacted, our liquidity and capital positions, cash flows, results of operations, and financial position.

Our mitigation efforts with respect to interest rate risk are primarily focused on maintaining an investment portfolio with diversified maturities. The portfolio's key rate duration profile is designed to be approximately equal to that of our liability and surplus benchmark; however, these benchmarks are based on estimates of the liability cash flow profiles which are complex and could be inaccurate, especially when markets are volatile. In addition, there are practical and capital market limitations on our ability to accomplish this matching. Due to these and other factors we may need to liquidate investments prior to maturity at a loss in order to satisfy liabilities or be forced to reinvest funds in a lower rate environment.

Our significant business operations outside the U.S. subject us to foreign exchange risk, which is the risk of loss arising from assets that are invested in a different currency than the related liability, as well as the unhedged portion of the Company's earnings from, and capital supporting, operations in a foreign currency. As a U.S.-based company with significant business operations outside of the U.S., particularly in Japan, we are exposed to foreign currency exchange rate risk related to these operations, as well as in our investment portfolio. This is because, for financial reporting purposes, income and expenses are reported in local currency and translated into the U.S. dollar at the applicable currency exchange rate for inclusion in our financial statements. Therefore, if the U.S. dollar strengthens against other currencies such as the Japanese yen, our revenues reported in U.S. dollars would decline, even if there was no corresponding reduction in the health of our business. Fluctuations in foreign currency exchange rates could adversely affect our profitability, financial condition and cash flows, as well as increase the volatility of our results of operations under U.S. GAAP. In the short-term, solvency margins in our Japan businesses can also be impacted by fluctuations in exchange rates.

For our International Businesses' operations, our Retirement Strategies segment's earnings on non-U.S. dollar-denominated reinsurance contracts and PGIM's investment activities based in currencies other than the U.S. dollar, changes in foreign currency exchange rates create risk that we may experience volatility in the U.S. dollar-equivalent earnings and equity of these operations. For certain of our international insurance operations outside of Japan, we elect to not hedge the risk of changes in our subsidiary equity investments due to foreign exchange rate movements.

For our domestic investment portfolios supporting our U.S. insurance operations and other proprietary investment portfolios, our foreign currency exchange rate risk arises primarily from investments that are denominated in foreign currencies. We generally do not hedge all of the foreign currency risk of our investments in equity securities of unaffiliated foreign entities. The value and liquidity of our foreign currency investments could be adversely affected by local market, economic and financial conditions.

There can be no assurance that our hedging and other strategies will effectively mitigate foreign exchange risk. For a discussion of our hedging program and the impact of foreign currency exchange rates on our business, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—External and Economic Factors—Impact of Foreign Currency Exchange Rates."

Guarantees within certain of our products, in particular our variable annuities and to a lesser extent certain individual life and international insurance products, are market sensitive and may decrease our earnings or increase the volatility of our results of operations or financial position. Certain of our products, particularly our variable annuity products and to a lesser extent certain international insurance products, include guarantees of minimum surrender values or income streams for stated periods or for life, which may be in excess of account values. Our valuation of the liabilities for the minimum benefits contained in many of our variable annuity products requires us to consider the market perception of our risk of non-performance, and a decrease in our own credit spreads resulting from ratings upgrades or other events or market conditions could cause the recorded value of these liabilities to increase, which in turn could adversely affect our results of operations and financial position. Certain of our products, particularly our variable annuity and variable life products, include minimum death benefits or "no-lapse guarantees" that guarantee a death benefit as long as the "no-lapse guarantee" premium is paid. Certain of our products, particularly certain index-linked annuity and individual life products, include interest crediting guarantees based

on the performance of an index. Downturns in equity markets, increased equity volatility, increased credit spreads, or (as discussed above) reduced interest rates could result in an increase in the valuation of liabilities associated with such guarantees, resulting in increases in reserves and reductions in net income. Hedging and risk management strategies, including product features, that we use to mitigate these risks may not be fully effective. In addition, we may be unable or may choose not to fully hedge these risks. Hedging instruments may not effectively offset the costs of guarantees or may otherwise be insufficient in relation to our obligations. Hedging instruments also may not change in value correspondingly with associated liabilities due to equity market or interest rate conditions, non-performance risk or other reasons. We may choose to hedge these risks on a basis that does not correspond to their anticipated or actual impact upon our results of operations or financial position under U.S. GAAP. Changes from period to period in the valuation of these policy benefits, and in the amount of our obligations effectively hedged, will result in volatility in our results of operations and financial position under U.S. GAAP and the statutory capital levels of our insurance subsidiaries. Estimates and assumptions we make in connection with hedging activities may fail to reflect or correspond to our actual long-term exposure from our guarantees. Further, the risk of increases in the costs of our guarantees not covered by our hedging and other capital and risk management strategies may become more significant due to changes in policyholder behavior driven by market conditions or other factors. The above factors, individually or collectively, may have a material adverse effect on our results of operations, financial condition or liquidity.

We are subject to counterparty risk associated with reinsurance transactions. To mitigate this risk, we may use coinsurance with funds withheld or modified coinsurance. With these reinsurance arrangements, we retain assets on our balance sheet whose related investment performance accrues to third-party reinsurers. The composition of these assets is subject to investment guidelines specific to the reinsurance treaties and may differ from those we would normally invest in. Under GAAP, funds withheld and modified coinsurance reinsurance most often create embedded derivatives for the ceding company and the reinsurer, which are measured at fair value. The valuation of these embedded derivatives is sensitive to market factors, including credit spreads of the assets held on our balance sheet, and can generate significant volatility in net income depending on market conditions. Changes in the fair value of embedded derivatives are included in “Realized investment gains (losses), net” on the Consolidated Statements of Operations, whereas changes in the fair value of assets are recorded primarily in “Accumulated other comprehensive income.”

Liquidity Risk

As a financial services company, we are exposed to liquidity risk, which is the risk that the Company is unable to meet near-term obligations as they come due.

Liquidity risk is a manifestation of events that are driven by other risk types (market, insurance, investment, operational). A liquidity shortfall may arise in the event of insufficient funding sources or an immediate and significant need for cash or collateral. In addition, it is possible that expected liquidity sources, such as our credit facilities, may be unavailable or inadequate to satisfy the liquidity demands described below.

The Company has four primary sources of liquidity exposure and associated drivers that trigger material liquidity demand. Those sources are:

- *Derivative collateral market exposure:* Abrupt changes to interest rate, equity, and/or currency markets may increase collateral requirements to counterparties and create liquidity risk for the Company.
- *Asset liability mismatch:* There are liquidity risks associated with liabilities coming due prior to the matching asset cash flows. Structural maturities mismatch can occur in activities such as securities lending, where the liabilities are effectively overnight open transactions used to fund longer term assets.
- *Wholesale funding:* The Company depends upon the financial markets for funding (such as through the issuance of commercial paper, securities lending and repurchase arrangements and other forms of borrowings in the capital markets). These sources might not be available during times of stress, or may only be available on unfavorable terms, which can result in a decrease in our profitability and a significant reduction in our financial flexibility.
- *Insurance cash flows:* The Company faces potential liquidity risks from unexpected cash demands due to severe mortality calamity, customer withdrawals or lapse events. If such events were to occur, the Company may face unexpectedly high levels of claim payments to policyholders.

For a discussion of the Company’s liquidity and sources and uses of liquidity, including information about legal and regulatory limits on the ability of our subsidiaries to pay dividends, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Liquidity.”

Operational Risk

Operational Risk Types

The types of operational risks that may impact the Company include, among others, the following:

- *People:* Internal fraud, breaches of employment law, unauthorized activities; loss or lack of key personnel, inadequate training; inadequate supervision.
- *Processes:* Processing failure; failure to safeguard or retain documents/records; errors in valuation/pricing models and processes; project management or execution failures; improper sales practices; improper administration of our products; failure to adhere to clients' investment guidelines.
- *Technology:* Failures during the development and implementation of new systems; systems failures.
- *External Events:* External crime; cyber-attack; outsourcing risk; vendor risk; natural and other disasters; changes in laws/regulations.
- *Legal and Regulatory:* Legal and regulatory compliance failures. See "Business—Regulation" for a discussion of the regulations applicable to the Company.

Potential Impacts

The potential adverse impacts to our business, results of operations, financial condition or liquidity due to such operational risks include, among others, the following:

- *Financial losses:* The Company experiences a financial loss. This loss may originate from various causes including, but not limited to, transaction processing errors and fraud.
- *Client service impacts:* The Company may not be able to service customers. This may result if the Company is unable to continue operations during a business continuation event or if systems are compromised, including as a result of a cyber-attack involving malware and/or a virus.
- *Regulatory fines or sanctions:* When the Company fails to comply with applicable laws or regulations, regulatory fines or sanctions may be imposed. In addition, possible restrictions on business activities may result.
- *Legal actions:* Failure to comply with laws and regulations also exposes the Company to litigation risk. This may also result in financial losses.
- *Reputational harm*: Failure to meet regulator, customer, investor and other stakeholder expectations may cause reputational harm.

Liabilities we may incur as a result of operational failures are described further under "Contingent Liabilities" in Note 25 to the Consolidated Financial Statements. In addition, certain pending regulatory and litigation matters affecting us, and certain risks to our businesses presented by such matters, are discussed in Note 25 to the Consolidated Financial Statements. We may become subject to additional regulatory and legal actions in the future.

Key Enterprise Operational Risks

Key enterprise operational risks include, among others, the following:

We are subject to business continuation risk, which is the risk that our operations, systems or data, or those of third-parties on whom we rely, may be disrupted. We may experience a disruption in business continuity as a result of, among other things, the following:

- Severe pandemic, epidemic, or other public health crises, either naturally occurring or resulting from intentionally manipulated pathogens;
- Geo-political risks, including armed conflict and civil unrest;
- Terrorist events;
- Significant natural or accidental disasters;
- Cyber-attacks, both systemic (e.g., affecting the internet, cloud services, and/or other financial services industry infrastructure) and targeted (e.g., failures in or breach of our systems or that of third-parties on whom we rely), such as the cybersecurity incident we experienced and disclosed in February 2024;

- Insider threats;
- Physical infrastructure outages; and
- Workforce unavailability resulting from any of the above events, among others.

We depend heavily on our telecommunication, information technology and other operational systems and on the integrity and continuing availability of data we use to run our businesses and service our customers. These systems, and any available backups, have and may fail to operate properly or become disabled as a result of events or circumstances wholly or partly beyond our control, including cyber-attacks, denial of service, viruses or other malicious activities, power outages, hardware or software malfunctions, defects or degradation, lack of proper maintenance, human error or misuse, and similar events.

Further, we face the risk of operational and technology failures experienced by others, including clearing agents, exchanges and other financial intermediaries, and vendors and other third parties to which we outsource the provision of services or business operations.

We, or third parties on whom we rely, may not adequately maintain information security. There continues to be significant and increased cyber-attack activity against businesses, including but not limited to Prudential and others in the financial services sector, and no organization, regardless of measures implemented to safeguard the systems and detect threats, is fully immune to cyber-attacks. Our cybersecurity risk remains heightened because of, among other things, the rapidly evolving nature and pervasiveness of cyber threats, including advances in artificial intelligence ("AI"), our brand and reputation, our size and scale, our geographic presence and our role in the financial services industry and the broader economy. See "Item 1C. Cybersecurity" for additional information about cybersecurity risk management and governance. Risks related to cyber-attack arise in various areas, including:

- Protecting sensitive information is a constant need; however, some risks cannot be fully mitigated using administrative, technological, or physical controls, or otherwise.
- Employees, customers, third-party service providers on whom we rely, or other users of our systems continue to be a key avenue for malicious external parties to gain access to our network, systems, data, or that of our customers. Many attacks leverage social engineering schemes (such as phishing, vishing, or smishing) to coax an internal user to click on a malicious attachment or link to introduce malware into companies' systems or steal the user's username and password. Such social engineering schemes are becoming increasingly sophisticated and may involve emerging technologies such as deep-fakes. Senior-level executives are increasingly becoming the targets of such attacks. Fraudulent schemes to solicit information via call centers, remote help desks and interactive voice response systems continue to increase in both volume and sophistication.
- Cyber-attacks involving the encryption and/or threat to disclose personal or confidential information (i.e., ransomware) or disruptions of communications (i.e., denial of service) for the purposes of, among other things, extortion or other motives persist and are on the rise.
- Financial services companies and their third-party service providers (including their downstream service providers) are increasingly being targeted by hackers and fraudulent actors seeking to monetize personal or confidential information to extort money, or for other malicious purposes. Such campaigns have targeted online applications and services.
- Nation-state sponsored or affiliated organizations, or politically motivated actors, are engaged in cyber-attacks, not only for monetization purposes, but also to gain information about foreign citizens, businesses and governments, or to influence or cause disruptions in commerce or political affairs. In light of recent geopolitical events, including conflicts in Europe and the Middle East, state-sponsored or affiliated parties and/or their supporters may launch retaliatory cyber-attacks, and may attempt to cause supply chain and other third-party service provider disruptions, or take other geopolitically motivated retaliatory actions that may disrupt our business operations, and/or result in the compromise of our systems or data.
- Increasingly, malicious actors can be in companies' systems for an extended period of time before being detected. Even if the malicious actors are discovered quickly, it could take considerable additional time for us to determine the scope of compromise, and the extent, amount, and type of information compromised, if any, and to fully contain the malicious actors, remediate and recover.
- Employees, third-party service providers or other individuals purportedly acting on behalf of the Company may fail (as a result of human error or misconduct) to comply with applicable policies and procedures, and/or intentionally circumvent controls or safeguards for unauthorized purposes. Our adoption of remote working increases these risks, as our interaction with employees and external service providers occur on information systems, networks and environments over which we have less control and which may be more difficult to monitor.

- We rely on third parties to provide services, as described further below. While we maintain certain standards for all vendors that provide us services, our vendors, and in turn, their own service providers, have become subject to security breaches, including as a result of their failure to perform in accordance with their contractual obligations.
- Hardware, software or applications developed by, obtained from, or implemented in accordance with specifications provided by third parties may contain vulnerabilities in design, maintenance or manufacturing that could be exploited to compromise the Company's information security.
- Continuing use of remote or flexible work arrangements, including remote access tools and mobile technology (including use of personal devices), have expanded potential attack surfaces.
- The proliferation of third-party financial data aggregators and emerging technologies, including the development and use of AI, increase our information security risks and exposure.
- Costs and security risks associated with maintaining, upgrading, or replacing our information technology, including legacy systems, could exceed our expectations or we may be required to dedicate additional resources to these activities.
- Planned system upgrades may not be successful or operate as intended, may take longer than anticipated, may exceed their budget, or create or exacerbate previously unknown security vulnerabilities.

The development and adoption of AI, including generative AI and agentic AI, and its use and anticipated use by us or by third parties on whom we rely, may increase the operational risks discussed above or create new operational risks that we are not currently anticipating. AI technologies offer potential benefits in areas such as customer service personalization and process automation, and we expect to use AI to help deliver products and services and support critical functions. We also expect third parties on whom we rely to do the same. There are significant risks involved in developing and deploying AI and there can be no assurance that the usage of AI will enhance our products or services or be beneficial to our business, including our efficiency or profitability. AI may be misused by us or by such third parties, or the models or datasets on which the models are trained may be flawed or otherwise may function in an unexpected manner. Such risks are increased by the relative newness of the technology, the speed at which it is being adopted, and the developing and evolving laws, regulations or standards governing its use. See "Business — Regulation — Artificial Intelligence" for a discussion of the applicable laws and regulations relating to the use of AI. Misuse of AI or external data, failure to comply with regulatory requirements, or conflicting interpretations of requirements could expose us to legal or regulatory risk, subject us to adverse regulatory examinations or audits, damage customer relationships or cause reputational harm. Further, our ability to continue to develop and efficiently deploy AI technologies depends on access to specific third-party equipment and other physical infrastructure, such as processing hardware and network capacity, as to which we cannot control the availability or pricing, especially in a highly competitive environment. Our competitors may also adopt AI more quickly or more effectively than we do, which could cause competitive harm. Because AI technology is so new, some of the potential risks of AI are currently unknowable; however, specific risks relating to AI could include, among others:

- Reputational Damage: Malicious actors could use AI to create deepfakes of the Company's executives or manipulate financial documents, leading to loss of customer trust and significant reputational damage. Moreover, the use of AI trained on inaccurate data sets could result in inaccurate or biased decisions.
- Fraudulent Activity: AI could be used to create forged documents or impersonate individuals to commit financial fraud, leading to financial losses and regulatory scrutiny.
- Misinformation and Disinformation: The ability to generate realistic and convincing synthetic media has been and could be used to spread misinformation and disinformation, impacting public opinion and undermining trust in the financial system.
- Privacy Concerns: AI could be used to create synthetic identities or manipulate personal data, raising privacy concerns related to data breaches and other potential violations of consumer rights and data protection regulations.
- Cybersecurity Threats: AI could be used to create sophisticated, long-term and persistent phishing attacks or bypass security measures, increasing the risk of cyberattacks and data breaches.

The risks identified above could be exacerbated by agentic AI, which, acting without supervision, could take actions harmful to the Company or our customers.

We, or third parties on whom we rely, may not adequately ensure the integrity, confidentiality, or availability of personal and confidential information. In the course of our ordinary business, we collect, store and disclose to various third parties (e.g., service providers, reinsurers, etc.) substantial amounts of personal and confidential information, including in some instances sensitive personal information, including health-related information. We are subject to the risk that the integrity, confidentiality, or availability of this information may be compromised, including as a result of an information security breach as described above, or that such events occurring at third parties may not be disclosed to us in a timely manner. And we may

have insufficient recourse against such third parties from which such breaches originate. We have experienced cybersecurity events resulting in, among other things, the compromise of personal and confidential information, including sensitive health information, of our employees, customers and other stakeholders.

Furthermore, there has been increased scrutiny as well as enacted and proposed additional laws and regulations, including from state regulators, regarding the use of personal and confidential information. These laws and regulations are increasing in complexity and number, change frequently, and may be subject to interpretation by different regulators and courts. See "Business—Regulation—Privacy and Cybersecurity Regulation" for a discussion of the applicable laws and regulations (including those requiring notice, disclosure or remediation) relating to cybersecurity events.

We have incurred and could incur significant costs and other negative consequences resulting from cyber-attacks or other information security breaches. Compromise or perceived compromise of the security of our systems or data or of that of one of our vendors has damaged and could damage our reputation, cause the deterioration or termination of relationships with, among others, customers, distributors, government-run health insurance exchanges, marketing partners and insurance carriers, reduce demand for our services, result in the loss of business opportunities, and subject us to significant liability and expense as well as regulatory action, penalties and lawsuits, any or all of which would harm our business, operating results and financial condition. We have also incurred and could incur significant costs in connection with our response, recovery, remediation, modification of protective measures, and compliance efforts, including costs associated with mitigating the impact of any errors, interruptions, delays or cessations of service. Additionally, our failure to timely or accurately communicate cyber incidents to relevant parties could result in regulatory, operational and reputational risk. To the extent we maintain cyber insurance, liabilities or losses arising from certain cyber incidents may not be covered or fully covered under such policies, including if our insurer denies coverage as to any particular claim in the future, and may not take into account reputational damage, the costs of which are impossible to quantify, and the amount of insurance may not be adequate. In addition, our insurance coverage with respect to cyber incidents may increase in cost or cease to be available on commercially reasonable terms, or at all, in the future.

Third parties (outsourcing providers, vendors and suppliers and joint venture partners) present added operational risk to our enterprise. The Company's business model relies heavily on the use of third parties to deliver contracted services in a broad range of areas. This reliance presents the risk that the Company is unable to meet legal, regulatory, financial or customer obligations because third parties fail to deliver contracted services, or that the Company is exposed to reputational damage because third parties fail to operate in accordance with our specifications and expectations. We use affiliates and third-party vendors located outside the U.S. to provide certain services and functions, which also exposes us to business disruptions and political risks as a result of risks inherent in conducting business outside of the United States. In our investments in which we hold a minority interest, or that are managed by third parties, we lack management and operational control over operations, which may subject us to additional operational, compliance and legal risks and prevent us from taking or causing to be taken actions to protect or increase the value of those investments. For example, see "Business—Regulation—ERISA." In those jurisdictions where we are constrained by law from owning a majority interest in jointly owned operations, our remedies in the event of a breach by a joint venture partner may be limited (e.g., we may have no ability to exercise a "call" option).

The manner in which our products are distributed, including by affiliate and third-party distributors of our products, presents added regulatory, competitive and other risks to our enterprise. Our products are sold primarily through captive/affiliated distributors and third-party distributing firms. Our captive/affiliated distributors are made up of sales personnel who are generally compensated based on commissions. The third-party distributing firms are rarely dedicated to us exclusively and may recommend and/or market products of our competitors. Accordingly, we must compete for their services. Our sales could be adversely affected if we are unable to attract, retain or motivate captive sales agents or third-party distributing firms or if we do not adequately provide support, training, compensation, and education to this sales network regarding our products, or if our products are not competitive and not appropriately aligned with consumer needs. While third-party distributing firms have an independent regulatory accountability, under applicable regulations and guidance, product manufacturers retain significant sales practices accountability.

The Company and our distributors are subject to rules regarding the standard of care applicable to sales of our products and the provision of advice to our customers, and many of these rules are routinely revised or re-examined. In addition, there have been a number of investigations regarding the marketing practices of brokers and agents selling financial services products and the payments they receive. Furthermore, sales practices and investor protection have increasingly become areas of focus for our regulators. Regulatory investigations and examinations have resulted in enforcement actions against us and companies in our industry and brokers and agents marketing and selling those companies' products. Enforcement actions could result in penalties and the imposition of corrective action plans and/or changes to industry practices, which could adversely affect our ability to market our products. If our products are distributed in an inappropriate manner, or to customers for whom they are unsuitable, or distributors of our products otherwise engage in misconduct, we may suffer reputational and other harm to our

business and be subject to regulatory action, penalties or damages. Our business may also be harmed if captive/affiliate distributors engage in inappropriate conduct in connection with the sale of third-party products.

See Note 25 to the Consolidated Financial Statements for additional information regarding litigation and regulatory matters relating to the distribution of products.

Many of our distribution personnel are independent contractors or franchisees. From time to time, their status has been challenged in courts and by government agencies, and various legislative or regulatory proposals have been introduced addressing the criteria for determining the status of independent contractors' classification as employees for, among other things, employment tax purposes or other employment benefits. The costs associated with potential changes with respect to these independent contractor and franchisee classifications have impacted our results previously and could have a material adverse effect on our business in the future.

Although we distribute our products through a wide variety of distribution channels, we maintain relationships with certain key distributors. For example, a significant amount of our sales in Japan are derived through major Japanese banks and a significant portion of our sales in Japan through Life Consultants is derived through a single association relationship. We periodically negotiate the terms of these relationships, and there can be no assurance that such terms will remain acceptable to us or such third parties. An interruption in certain key relationships could materially affect our ability to market our products and could have a material adverse effect on our business, operating results and financial condition. Distributors may elect to reduce or terminate their distribution relationships with us, including for such reasons as adverse developments in our business, competitiveness of product offerings, adverse rating agency actions or concerns about market-related risks. We are also at risk that key distribution partners may merge, change their business models in ways that affect how our products are sold, or terminate their distribution contracts with us, or that new distribution channels could emerge and adversely impact the effectiveness of our distribution efforts. An increase in bank and broker-dealer consolidation activity could increase competition for access to distributors, result in greater distribution expenses and impair our ability to market products through these channels. Consolidation of distributors and/or other industry changes may also increase the likelihood that distributors will try to renegotiate the terms of any existing selling agreements to terms less favorable to us. Finally, we also may be challenged by new technologies and marketplace entrants that could interfere with our existing relationships.

See Note 25 to the Consolidated Financial Statements and Item 7. "Management Discussion and Analysis" for additional information regarding instances of employee misconduct in Japan.

We may not be able to protect our intellectual property and may be subject to infringement claims. We rely on a combination of contractual rights with employees and third parties and on copyright, trademark, patent and trade secret laws to establish and protect our intellectual property. Although we endeavor to protect our rights, third parties may infringe or misappropriate our intellectual property. We may have to litigate to enforce and protect our copyrights, trademarks, patents, trade secrets and know-how or to determine their scope, validity or enforceability. This would represent a diversion of resources that may be significant, and our efforts may not prove successful. The inability to secure, protect or retain our intellectual property assets could have a material adverse effect on our business and our ability to compete.

We may be subject to claims by third parties for (i) copyright, trademark or patent infringement; (ii) breach of copyright, trademark or license usage rights; or (iii) misappropriation of trade secrets. Any such claims and any resulting litigation could result in significant expense and liability for damages. If we were found to have infringed or misappropriated a third-party patent or other intellectual property right, we could in some circumstances be enjoined from providing certain products or services to our customers or from utilizing and benefiting from certain methods, processes, copyrights, trademarks, trade secrets or licenses. Alternatively, we could be required to enter into costly licensing arrangements with third parties or implement a costly work around. Any of these scenarios could have a material adverse effect on our business and results of operations.

Model Risk

As a financial services company, we are exposed to model risk, which is the risk of financial loss or reputational damage or adverse regulatory impacts caused by model errors or limitations, incorrect implementation of models, or misuse of or overreliance upon models. Models are utilized by our businesses and corporate areas primarily to project future cash flows associated with pricing products, calculating reserves and valuing assets, as well as in evaluating risk and determining capital requirements, among other uses. Because models are used across the Company, model risk impacts all risk types. As our businesses continue to grow and evolve, the number and complexity of models we utilize expands, increasing our exposure to error in the design, implementation or use of models, including the associated input data and assumptions. Furthermore, model risk will be elevated during periods of transformation or due to new or changing laws or regulations.

Strategic Risk

We are subject to the risk of events that can cause our fundamental business model to change, either through a shift in the businesses in which we are engaged or a change in our execution.

In addition, other risks may become strategic risks. For example, we have considered and must continue to consider the impact of the interest rate environment on new product development and continued sales of interest sensitive products. Our strategic initiatives may fail to achieve their intended results, due to inadequate execution, incorrect assumptions, global or regional economic conditions, competition, changes in the industries in which we operate or other reasons.

Actions by governments could adversely affect the value and long-term growth prospects of our businesses, particularly in emerging markets. For example, pension system reforms being proposed in some jurisdictions (including Chile, Colombia and Peru) may limit the role of private companies, fundamentally changing our business in these markets. Likewise, geopolitical tensions (including those between China and Taiwan) may cause governments to take actions such as the implementation of sanctions or other measures to restrict commercial activity in or among markets where we operate or have other interests. The timing and magnitude of any potential actions is uncertain, as is the effectiveness of any measures we may take to help limit the impact of these actions.

Our ability to successfully execute on strategic transactions is subject to risks. We have in the past considered and continue to consider a range of strategic transactions, which could include acquisitions, joint venture, divestitures, spin-offs, reinsurance and other corporate transactions. Our strategy for long-term growth, productivity and profitability depends, in part, on our ability to successfully execute on and realize the expected benefits from these types of transactions. Any of these types of transactions could be material, be difficult to implement, disrupt our business, or change our business profile, focus or strategy significantly.

Changes in the regulatory landscape may be unsettling to our business model. New laws and regulations are being considered in the U.S. and our other countries of operation at an increasing pace, as there has been greater scrutiny on financial regulation over the past several years. Proposed or unforeseen changes in law or regulation, or changes in the way existing laws or regulations are enforced, may adversely impact our business. See “Business—Regulation” for a discussion of certain recently enacted and pending proposals by international, federal and state regulatory authorities and their potential impact on our business, including in the following areas:

- Financial sector regulatory reform.
- U.S. federal, state and local and non-U.S. tax laws, including Base Erosion and Anti-Abuse Tax (“BEAT”), Global Intangible Low-Taxed Income (“GILTI”) and Corporate Alternative Minimum Tax (“CAMT”).
- Fiduciary rules and other standards of care.
- Our regulation under U.S. state insurance laws and developments regarding group-wide supervision and capital standards, accounting rules, RBC factors for invested assets and reserves for life insurance, variable annuities and other products.
- Insurer capital standards in Japan and other non-U.S. jurisdictions.
- Privacy, data, artificial intelligence and cybersecurity regulation.

Changes in accounting rules applicable to our business may also have an adverse impact on our results of operations or financial condition. For a discussion of accounting pronouncements and their potential impact on our business see Note 2 to the Consolidated Financial Statements.

Changes in technology and other external factors may be unsettling to our business model. Rapid technological change puts pressure on existing business models. We believe the following aspects of technological and other changes would significantly impact our business model. There may be other unforeseen changes in technology and the external environment, including the regulatory response to technological change, which may have a significant impact on our business model.

- *Interaction with customers*. Evolving customer preferences and changing privacy regulations may drive a need to redesign products and change the way we interact with customers. Our distribution channels may change to become more automated, at the place and time of the customer’s choosing. Such changes clearly have the potential to disrupt our business model.
- *Investment Portfolio*. Technology may have a significant impact on the companies in which the Company invests. For example, environmental concerns spur scientific inquiry which may reposition the relative attractiveness of wind or sun

power over oil and gas. The transportation industry may favor alternative modes of conveyance of goods which may shift trucking or air transport out of favor. Consumers may change their purchasing behavior to favor online activity which would change the role of malls and retail properties.

- *Medical Advances*. The Company is exposed to the impact of medical advances. The unequal availability of detailed medical information (e.g., genetic testing) to consumers and insurers can create asymmetrical information and create anti-selection risks. Also, technologies that extend lives will challenge our actuarial assumptions particularly related to mortality and longevity risk.

Failure to adapt our business model in response to these and other technological developments could have an adverse impact on our results of operations or financial condition.

The following items are examples of other factors which could have an adverse impact on our business.

- *Current Market Conditions*. The imposition of tariffs and retaliatory actions could result in, among other things, rising interest rates, significant equity market declines, stagnant economic growth and high inflation, which could adversely impact our liquidity and capital positions, cash flows, results of operations, and financial position. For example, the combination of stagnant economic growth and high inflation would increase investment risk, including the underperformance of investments in more leveraged companies or companies exposed to weaker consumers. Also, the statutory capital of certain of our insurance subsidiaries could be negatively affected by such things as increased reserve requirements, which could be caused by equity market declines, and asymmetrical and non-economic statutory accounting impacts from rising rates.
- *A downgrade in our financial strength or credit ratings could potentially, among other things, adversely impact our business prospects, results of operations, financial condition and liquidity*. For a discussion of our ratings and the potential impact of a ratings downgrade on our business, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Ratings." For example, a downgrade in the financial strength or credit ratings of our U.S. entities may negatively affect the statutory capital position of our Japanese insurance subsidiaries and reduce their ability to return capital to Prudential Financial due to affiliate transactions involving our Japan insurance subsidiaries. For additional information, see "Item 7. Management Discussion and Analysis—Liquidity and Capital Resources—Dividends and Returns of Capital from Subsidiaries." We cannot predict what additional actions rating agencies may take, or what actions we may take in response to the actions of rating agencies, which could adversely affect our business. Our ratings could be downgraded at any time and without notice by any rating agency. Credit rating agencies continually review their methodologies, including capital and earnings assessment models, as well as their ratings for the companies that they follow, including us.
- *The changing competitive landscape may adversely affect the Company.* In each of our businesses, we face intense competition from insurance companies, asset managers, private equity firms and other diversified financial institutions, both for the ultimate customers for our products and, in many businesses, for distribution through non-affiliated distribution channels. Technological advances, changing customer expectations, including related to digital offerings, access to customer data, or other changes in the marketplace may present opportunities for new or smaller companies without established products or distribution channels to meet consumers' increased expectations more efficiently than us. Fintech and insurtech companies and companies in other industries with greater access to customers and data have the potential to disrupt industries globally, and many participants have been partially funded by industry players. For example, in PGIM, we expect to see continued pressure on fees given the focus on passive investment and the growth of the robo-advice channel.
- *Climate change may increase the severity and frequency of calamities, or adversely affect our investment portfolio or investor sentiment.* Climate change may increase the frequency and severity of weather-related disasters, pandemics and/or other natural disasters. In addition, climate change regulation may affect the prospects of companies and other entities whose securities we hold, or our willingness to continue to hold their securities. It may also impact other counterparties, including reinsurers, and affect the value of investments, including real estate investments we hold or manage for others. We cannot predict the long-term impacts on us from climate change or related regulation. Climate change may also influence investor sentiment with respect to the Company and investments in our portfolio.
- *We may fail to meet expectations relating to environmental, social, and governance standards and practices.* Certain existing or potential investors, customers and regulators evaluate our business or other practices according to a variety of environmental, social and governance ("ESG") standards and expectations. Certain of our regulators have proposed or adopted, or may propose or adopt, ESG rules or standards that would apply to our business. Our practices may be judged by ESG standards that are continually evolving and not always clear. Prevailing ESG standards and expectations may also reflect contrasting or conflicting values or agendas. We may fail to meet our commitments or targets, and our policies and processes to evaluate and manage ESG standards in coordination with other business priorities may not be

completely effective or satisfy investors, customers, regulators, or others. In addition, with increasing anti-ESG regulations and sentiment, we could experience reduced revenue and reputational harm if we are targeted by government actors, private groups or influential individuals who disagree with our public positions on social or environmental issues. We may face adverse regulatory, investor, customer, media, or public scrutiny leading to business, reputational, or legal challenges.

- *Market conditions and other factors may adversely impact product sales or increase expenses. Examples include:*
  - A change in market conditions, such as higher inflation and higher interest rates could cause a change in consumer sentiment and behavior adversely affecting sales and persistency of our savings and protection products. Conversely, low inflation and low interest rates could cause persistency of these products to vary from that anticipated and adversely affect profitability. Similarly, changing economic conditions and unfavorable public perception of financial institutions can influence customer behavior, including increasing claims or surrenders in certain products.
  - Sales of our investment-based and asset management products and services may decline, and lapses and surrenders of certain insurance products and withdrawals of assets from investment products may increase if a market downturn, increased market volatility or other market conditions result in customers becoming dissatisfied with their investments or products.
  - Changes in our discount rate, expected rate of return, life expectancy, healthcare costs and assumptions regarding compensation increases for our pension and other postretirement benefit plans may result in increased expenses and reduce our profitability.
- *Our reputation may be adversely impacted if any of the risks described in this section are realized.* Reputational risk could manifest in connection with any of the risks identified in the Company's risk identification process. Failure to effectively manage risks across a broad range of risk issues exposes the Company to reputational harm. If the Company were to suffer a significant loss in reputation, both policyholders and counterparties could seek to exit existing relationships. Additionally, large changes in credit worthiness, especially credit ratings, could impact access to funding markets while creating additional collateral requirements for existing relationships. The mismanagement of any such risks may potentially damage our reputational asset. Our business is anchored in the strength of our brand, our alignment to our values, and our proven commitment to keep our promises to our customers. Any negative public perception, founded or otherwise, can be widely and rapidly shared over social media or other means, and could cause damage to our reputation.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 1C. CYBERSECURITY

Risk Management and Strategy

Because of the size and scope of our business, we are subject to numerous and evolving cybersecurity risks, any of which, if it materializes, could affect our business strategy, results of operations, or financial condition. See "Item 1A. Risk Factors—Operational Risk" for a discussion of such risks.

Cybersecurity risk management is integrated within our risk management framework. See "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations—Risk Management" for additional information regarding our risk management processes. We conduct risk identification through several processes at the business unit, corporate, senior management, and Board levels. This framework includes escalation points to Prudential's risk committees, allowing cyber risk and control matters to be elevated to the Board of Directors or its Audit Committee for oversight.

In order to respond to the threat of security breaches and cyber-attacks, we have developed an information security program designed to protect and preserve the confidentiality, integrity, and continued availability of information owned by, or in the care of, the Company. This information security program provides for the coordination of various corporate functions and governance groups, including global technology, risk, legal, compliance and corporate audit, and serves as a framework for the execution of responsibilities across businesses and operational roles. Among other things, the information security program establishes security standards for our technological resources and includes training for employees, contractors and third parties. Employees with access to our Company's systems are subject to comprehensive annual training on responsible information security, data security, and cybersecurity practices and how to protect data against cyber threats.

As part of the information security program, we routinely engage independent outside advisors to assess the effectiveness of our program and our internal response preparedness. We also regularly engage with the broader cybersecurity community and monitor cyber threat information.

To address risks associated with third parties, Prudential has established an enterprise-wide Third-Party Risk Management Program. This program's features include, among other things, identifying, assessing and managing cybersecurity risks throughout the life of our third-party relationships.

We also maintain an incident response plan, which specifies escalation and evaluation processes for cyber events. This plan is executed in close coordination with our corporate functions, including a dedicated cyber and privacy law function, external affairs, and risk management, and is designed to ensure, among other things, appropriate and timely reporting and disclosure.

When we do experience cybersecurity incidents, like the cybersecurity incident we disclosed in February 2024, we aim to utilize that experience to inform and strengthen our information security program.

During the period covered by this Report, we did not identify any cybersecurity threats that have materially affected or are reasonably likely to materially affect our business strategy, results of operations, or financial condition. See "Item 1A. Risk Factors—Operational Risk" for a discussion of risks related to cybersecurity.

Governance

The Company's information security program is overseen by the Chief Information Security Officer ("CISO") and Information Security Office, as well as the Head of Global Technology and Operations ("HGTO"). The CISO and Information Security Office are responsible for monitoring for cybersecurity incidents impacting Prudential's systems, and ensuring appropriate processes are maintained to inform management of the prevention, detection, mitigation, and remediation of such cybersecurity incidents. We believe that our employees responsible for managing cybersecurity risk have the skills and knowledge to assess and manage the Company's material risks from cybersecurity threats, and their qualifications include degrees and certifications typical for cybersecurity professionals. We expect these employees to, among other things, understand computer systems, networks, and security technologies and be proficient in a variety of security tools and techniques. The current CISO, who is serving in an interim capacity, has served in various roles in information security for over 20 years, including as Deputy CISO and roles overseeing cyber defense, investigations, and incident response. The interim CISO holds a law degree and has attained numerous Global Information Assurance Certifications.. For a description of the relevant expertise of the HGTO, see "Item 1. Business—Information About our Executive Officers."

The Audit Committee of the Board of Directors, which is responsible for oversight of certain risk issues, including cybersecurity, receives reports from the CISO, the HGTO and Operational Risk Management throughout the year. At least annually, the Board and the Audit Committee also receive updates about the results of program reviews, including assessments led by outside advisors who provide a third-party independent assessment of our technical program and internal response preparedness. To the extent cybersecurity controls are related to internal control over financial reporting, such controls are considered in the context of Prudential's annual external integrated audit.

The Audit Committee regularly briefs the full Board of Directors on these matters, and the full Board of Directors also receives periodic briefings on cyber threats in order to enhance our directors' literacy on cyber issues.

ITEM 2. PROPERTIES

We own our headquarters building located at 751 Broad Street, Newark, New Jersey. Excluding our headquarters building and properties used by our International Businesses and the international operations of PGIM, which are discussed below, as of December 31, 2025, we conduct our business and home office functions in both owned and leased locations throughout the United States. We also conduct back-office functions in leased properties outside of the United States.

For our International Businesses, as of December 31, 2025, we own and lease home offices located in Japan, Brazil and Mexico. We also conduct our business in owned and leased properties, primarily field offices, located throughout these same countries. For PGIM's international operations, as of December 31, 2025, we lease home offices located in Japan, the United Kingdom, India and Ireland. We also lease principal properties and other branch and field offices in other countries where PGIM conducts business.

We believe our properties are adequate and suitable for our business as currently conducted and are adequately maintained. The above properties do not include properties we own solely for investment purposes.

At our domestic home office properties, we are developing programs to reduce emissions. These programs include seeking ways to expand energy efficiency. For home office properties in Brazil and Japan, we are also developing waste diversion measures including internal recycling and composting infrastructures and availing ourselves of third-party waste diversion programs. Our Prudential Tower home office property in Newark, New Jersey has been awarded LEED Gold Certification from the U.S. Green Building Council.

ITEM 3. LEGAL PROCEEDINGS

See Note 25 to the Consolidated Financial Statements under "—Litigation and Regulatory Matters" for a description of certain pending litigation and regulatory matters affecting us, and certain risks to our businesses presented by such matters.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

General

Prudential Financial's Common Stock trades on the New York Stock Exchange under the symbol "PRU." On January 31, 2026, there were 981,472 registered holders of record for the Common Stock and 348 million shares outstanding.

Issuer Purchases of Equity Securities

(c) The following table provides information about purchases by the Company during the three months ended December 31, 2025, of its Common Stock:

Period	Total Number of Shares Purchased(1)	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Program	Approximate Dollar Value of Shares that May Yet Be Purchased under the Program
October 1, 2025 through October 31, 2025	824,672	$ 102.39	813,708	
November 1, 2025 through November 30, 2025	790,394	$ 106.11	785,119	
December 1, 2025 through December 31, 2025	738,947	$ 113.41	735,363	
Total	2,354,013		2,334,190	$ 0

(1) Includes shares of Common Stock withheld from participants for income tax withholding purposes whose shares of restricted stock units vested during the period. Such restricted stock units were originally issued to participants pursuant to the Prudential Financial Inc. Omnibus Incentive Plan.

On December 10, 2025, Prudential Financial's Board of Directors authorized the Company to repurchase, at management's discretion, up to $1 billion of its outstanding Common Stock during the period from January 1, 2026 through December 31, 2026.

The timing and amount of any share repurchases under the Company's share repurchase authorization will be determined by management based on market conditions and other considerations, and such repurchases may be executed in the open market, through derivative, accelerated repurchase and other negotiated transactions and through plans designed to comply with Rule 10b5-1(c) under the Securities Exchange Act of 1934, as amended.

ITEM 6. [RESERVED]

Part II. Item 6 is no longer required pursuant to certain amendments to Regulation S-K that eliminated Item 301.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

TABLE OF CONTENTS

	Page
Introduction	40
Executive Summary	41
Company Overview	41
Business Outlook	42
External and Economic Factors	42
Industry Trends	42
Impact of Changes in the Interest Rate Environment	44
Impact of Foreign Currency Exchange Rates	44
Results of Operations	47
Consolidated Results of Operations	47
Segment Results of Operations	48
Segment Measures	51
Results of Operations by Segment	52
PGIM	52
Retirement Strategies	56
Group Insurance	63
Individual Life	65
International Businesses	66
Corporate and Other	70
Divested and Run-off Businesses	71
Closed Block Division	72
Accounting Policies & Pronouncements	73
Application of Critical Accounting Estimates	73
Adoption of New Accounting Pronouncements	79
Liquidity and Capital Resources	79
Ratings	93
General Account Investments	95
Valuation of Assets and Liabilities	115
Income Taxes	118
Risk Management	118

Certain of the statements included in this section constitute forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. 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 can be found in the "Risk Factors" and "Forward-Looking Statements" sections included herein.

Pursuant to the FAST Act Modernization and Simplification of Regulation S-K, discussions related to the results of operations for the year ended December 31, 2024 in comparison to the year ended December 31, 2023 have been omitted. For such omitted discussions, refer to Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") included in the Company's Annual Report on Form 10-K for the year ended December 31, 2024.

Introduction

The purpose of this Management's Discussion and Analysis of Financial Condition and Results of Operations is to provide readers with a foundational understanding of our Company, our consolidated financial statements, and the significant internal and external drivers of our results. The discussion of financial results within is focused on adjusted operating income, which is the Company's segment-level measure of performance, and provides readers with period-over-period analysis of operating results and significant drivers. In addition to discussing our detailed segment results of operations, we have also provided supplemental information that we believe assists with a greater understanding of our overall financial results.

A brief description of these key informational sections follows:

- "Executive Summary" provides an overview of the Company and its operations, along with recent significant events that have impacted our organizational structure or financial results. This section also provides management's outlook for each respective business segment.

- "External and Economic Factors" discusses industry trends, including the economic environment and demographics for each of our businesses, and includes a discussion of how the impact of potential changes in either interest rates or foreign currency exchange rates may impact our overall operations and financial position.

- "Accounting Policies & Pronouncements" discusses the accounting policies applied in preparing our consolidated financial statements that management believes are most dependent on the application of estimates and assumptions and which require management's most difficult, subjective, or complex judgments. This section should be read in conjunction with Note 2 to the Consolidated Financial Statements.

- "Liquidity and Capital Resources" provides information about our liquidity and capital positions, including any significant actions that have impacted, or are expected to impact, these positions. Information is also provided on our insurance companies' regulatory capital requirements, the sources and uses of our holding company's cash, and additional information about financing activities of the Company.

- "Ratings" provides information on the ratings for Prudential Financial and certain of its subsidiaries as of the date of this filing.

- "General Account Investments" provides information about the investment objectives, strategies and overall portfolio composition of the general account that supports the liabilities of our insurance companies. Investment results are presented separately for our U.S.-based and Japanese-based operations, our Closed Block division, and our Funds Withheld portfolios, which support liabilities relating to reinsurance agreements where the economic benefits and associated investment risk ultimately inure to the reinsurer. This section should be read in conjunction with Note 3 to the Consolidated Financial Statements.

- "Valuation of Assets and Liabilities" provides additional breakout of the fair value of assets and liabilities for Prudential Financial Inc., excluding those held in the Closed Block division and Funds Withheld portfolios, and separately for the Closed Block division and Funds Withheld portfolios. This section should be read in conjunction with Note 6 to the Consolidated Financial Statements.

- "Income Taxes" provides information about our effective tax rate and unrecognized tax benefits. This section should be read in conjunction with Note 17 to the Consolidated Financial Statements.

- "Risk Management" provides detail about our risk governance structure and the framework for evaluating the risks across the Company. This section should be read in conjunction with "Item 1A. Risk Factors."

Executive Summary

Company Overview

Our operations are primarily in the United States of America ("U.S."), Asia, Europe and Latin America. Through our subsidiaries and affiliates, we offer a wide array of financial products and services, including life insurance, annuities, retirement solutions, mutual funds and investment management. We offer these products and services to individual and institutional customers through one of the largest distribution networks in the financial services industry.

Our principal operations consist of PGIM (our global investment management business), our U.S. Businesses (consisting of our Retirement Strategies, Group Insurance and Individual Life businesses), our International Businesses, the Closed Block division, and our Corporate and Other operations. The Closed Block division is accounted for as a divested business that is reported separately from the Divested and Run-off Businesses that are included in Corporate and Other. Divested and Run-off Businesses are composed of businesses that have been, or will be, sold or exited, including businesses that have been placed in wind-down status that do not qualify for "discontinued operations" accounting treatment under generally accepted accounting principles in the United States of America ("U.S. GAAP"). Our Corporate and Other operations include corporate items and initiatives that are not allocated to business segments as well as the Divested and Run-off Businesses described above. See "Business—" for a description of our sources of revenue and details on how our profitability is impacted. In addition, our profitability is impacted by our ability to effectively deploy capital, utilize our tax capacity and manage expenses.

Effective in the first quarter of 2025, consistent with changes to the Company's internal management structure, our International Businesses are reflected as a single operating and reportable segment, which is how the chief operating decision maker ("CODM") now assesses its performance and allocates resources. Prior to the first quarter of 2025, our International Businesses consisted of the Life Planner and Gibraltar Life and Other operating segments, each of which was a reportable segment under U.S. GAAP. The change has been applied retrospectively and did not have any impact on the Company's Consolidated Financial Statements contained herein or to any previously issued financial statements.

Management expects that results will continue to benefit from our mutually-reinforcing business system, which includes a mix of businesses that complement each other to provide competitive advantages, earnings diversification and capital benefits from a balanced risk profile. We believe we are well-positioned to tap into market opportunities to meet the evolving needs of our clients and society at large. Our mix of high-quality protection, retirement and investment management businesses enables us to offer solutions that cover a broad range of financial needs and to engage with our clients through multiple channels.

In September 2023, we, together with Warburg Pincus and a group of institutional investors, launched Prismic Life Reinsurance, Ltd. ("Prismic Re"), a licensed Bermuda-based life and annuity reinsurance company. Through our Corporate and Other operations, we own an approximate 20% equity interest in Prismic Life Holding Company LP ("Prismic"), the Bermuda-exempted limited partnership that owns all of the outstanding capital stock of Prismic Re and Prismic Life Reinsurance International, Ltd. ("Prismic Re International"). We expect the increased reinsurance capacity that this partnership provides to support our vision of expanding access to investing, insurance, and retirement security for people around the world. See Note 15 to the Consolidated Financial Statements for additional information regarding our transactions with Prismic Re and Prismic Re International.

As part of our continuous improvement process, we are working to become a leaner and more agile company by simplifying our management structure, empowering our employees with faster decision-making processes and investing in technology and data platforms. As part of this, we recorded charges of $135 million in the fourth quarter of 2025 and $200 million in the fourth quarter of 2023. These charges, primarily related to our domestic operations and PGIM, were recorded within our Corporate and Other operations and reflect management's ongoing efforts in evaluating the optimal workforce structure required to deliver on our long-term growth strategy. We expect these continued actions will create operating efficiencies, and provide reinvestment capacity to build capabilities, realize additional efficiencies, strengthen our competitiveness and fuel future growth.

In February 2026, in conjunction with our previously announced internal investigation into employee misconduct in Japan, we voluntarily suspended new sales activity at Prudential of Japan for a 90-day period, commencing February 9, 2026. See "—Litigation and Regulatory Matters—Regulatory" within Note 25 to the Consolidated Financial Statements and "Results of Operations by Segment—International Businesses" below for additional information.

Business Outlook

We feel confident about our prospects for the future based on the foundation of our integrated and complementary businesses. We are focused on evolving our strategy to transform our market-leading businesses to become a higher growth, more capital efficient company. We plan to continue investing in growth businesses and markets around the world, delivering industry-leading customer and client experiences, and creating the next generation of financial solutions. The businesses drive our company's performance, value and growth, and are organized around the markets we serve with solutions in investing, insurance, and retirement security.

Specific outlook considerations for each of our businesses include the following:

- *PGIM.* Our global investment management business, PGIM, is focused on maintaining strong investment performance while leveraging the scale of its approximately $1.466 trillion of assets under management and diversified global operations. We are currently centralizing our distribution channels and unifying our asset management capabilities to better serve our clients and support sustainable growth. In addition, we remain focused on broadening our market share through acquisitions and organic initiatives, including providing asset management services to third-party reinsurers. In addition to serving third-party institutional and retail clients, we provide our U.S. and International businesses with a competitive advantage through our investment expertise across a broad array of asset classes, including public and private asset class capabilities. Underpinning our growth strategy is our ability to continue to deliver robust investment performance and to attract and retain high-caliber investment talent.

- *Retirement Strategies.* We remain focused on helping customers meet their investment and retirement needs by expanding access to retirement security and broadening distribution through new relationships, platforms and advisors. Our Institutional Retirement Strategies business continues to be focused on providing products that respond to the needs of plan sponsors, retirees, and annuitants while maintaining appropriate pricing and return expectations under changing market conditions. We expect our differentiated capabilities and execution to drive our business momentum in the pension risk transfer and international reinsurance markets; however, we expect that growth will not be linear due to the episodic nature of these transactions. In Individual Retirement Strategies, we continue to execute on our strategic pivot of replacing the intentional run-off of legacy variable annuities with new indexed and fixed annuity products that generate less volatile, and more capital efficient earnings. We continue to focus on expanding our diverse product portfolio and distribution channels to meet more of the growing demand among retail investors for protected growth and lifetime income.

- *Group Insurance.* We are a leading group benefits provider with a focus on further diversifying our portfolio by expanding our Premier Market and Association segments and growing voluntary supplemental health, including entering the medical stop loss market with coverage effective dates starting from January 1, 2025, while maintaining leadership in the National Market segment. We also continue to focus on deepening employer and participant relationships and investing in a best-in-class customer experience.

- *Individual Life.* We continue to focus on making life insurance solutions more accessible to financial professionals, partners and customers by providing a broad product portfolio, including growing the amount of accumulation and simplified protection product options, coupled with our multi-channel distribution capabilities. We have taken pricing and product actions to ensure we realize appropriate returns for the current economic environment and to diversify our product mix to further limit our sensitivity to interest rates.

- *International Businesses.* We remain focused on meeting customers' evolving protection, retirement, and savings needs as well as maintaining the underlying strength of our distribution channels. Our strategy is to strengthen our position in Japan and we remain committed to optimizing our existing operations.

External and Economic Factors

Industry Trends

Our businesses are impacted by financial markets, economic conditions, regulatory oversight, and a variety of trends that affect the industries in which we compete.

Financial and Economic Environment:

- *PGIM.* After a period of significantly increased interest rates and volatile economic conditions in 2022 and 2023, we experienced a modest decline in rates during 2024 and 2025, combined with improved equity market conditions and a slight rebound in the commercial real estate industry. While the economic outlook has improved, interest rate movements remain uncertain and the real estate market is in a modest recovery. We expect that a stabilized or declining rate environment over time will positively impact PGIM, particularly as investors reallocate record-high money market assets to fixed income, real estate, and other higher-yielding asset classes. Conversely, a deterioration in market conditions (e.g., equity market declines, higher interest rates, credit spread widening or real estate value declines) could lead to lower fee-based revenues, incentive fees taking longer to be realized and losses in our seed and co-investments. An economic downturn could also have impacts on real estate prices as well as transaction volumes in certain private asset classes. In addition, the continued shift from active strategies to passive index products, particularly in equities, could present additional headwinds for active managers such as PGIM. We believe PGIM's uniquely diversified global platform is well positioned to be resilient in the face of market and industry headwinds.

- *U.S. Businesses.* Through 2021, interest rates in the U.S. had experienced a prolonged period of historically low levels. This was followed by significant increases in 2022 through 2023. While there have been modest declines in 2024 and 2025, rates have sustained higher levels relative to historical periods. We expect that a continued level of relative higher interest rates will benefit our results over time. We continue to monitor current market conditions and the potential impact to our businesses in the event of slowing or negative economic growth. In addition, we are subject to financial impacts associated with movements in equity markets and the evolution of the credit cycle as discussed in "Item 1A. Risk Factors."

- *International Businesses.* Interest rates in Japan experienced a prolonged period of historically low levels, negatively impacting our net investment spread results and reinvestment yields; however, beginning in 2024, the Bank of Japan began raising its key short-term interest rates, marking their highest levels since September 1995. We expect that a continued level of higher interest rates will benefit our results over time. In addition, we are subject to financial impacts associated with movements in foreign currency rates, particularly the Japanese yen. Fluctuations in the value of the yen can impact the relative attractiveness to customers of both yen-denominated and non-yen denominated products thereby impacting both sales and surrenders. In addition, we are subject to financial impacts associated with movements in equity markets and the evolution of the credit cycle as discussed in "Item 1A. Risk Factors." Brazil's life insurance industry is supported by a stable economic outlook and its long-term growth prospects remain strong as economic conditions show sustained growth.

Demographics:

- *PGIM.* An aging global population has led to more de-risking across institutional and individual investor portfolios as well as increased demand for higher-yielding investments that deliver income to meet retirement needs. As a result, investors are increasing their allocations to public and private fixed income assets, where PGIM is a global market leader. As employers, particularly in the U.S. and the U.K., continue to transition from defined benefit pensions to defined contribution plans as their primary retirement vehicles, there is a growing need for personalized retirement solutions that can help improve individual retirement security. Asset managers, such as PGIM, will play a critical role in partnering with governments, corporations, and individuals globally to deliver the investment and advice capabilities required to address this challenge.

- *U.S. Businesses.* Individual customer demographics continue to evolve and new opportunities present themselves in different consumer segments such as the millennial and multicultural markets. Consumer expectations and preferences are changing. We believe existing and potential customers are increasingly looking for cost-effective solutions that they can easily understand and access through technology-enabled devices. At the same time, income protection, wealth accumulation and the needs of retiring baby boomers are continuing to shape the insurance industry. A persistent retirement security gap exists in terms of both savings and protection.

- *International Businesses.* Japan has an aging population as well as a large pool of household assets invested in low-yielding deposit and savings vehicles. The aging of Japan's population, along with strains on government pension and healthcare programs, have led to a growing demand for products that provide financial solutions for retirement, investment and wealth transfer, as well as for health-related products. Brazil, the largest country by population in South

America, is experiencing rising life expectancy and an expanding middle class, along with increasing disposable income and greater financial awareness. These trends drive demand for life insurance products that prioritize financial security, wealth preservation, and retirement planning, and underscore the need for diversified solutions, including protection-oriented, savings, and health related policies.

Regulatory Environment. See "Business—Regulation" for a discussion of regulatory developments that may impact the Company and the associated risks.

Competitive Environment. See "Business—" for a discussion of the competitive environment and the basis on which we compete in each of our segments.

Impact of Changes in the Interest Rate Environment

As a global financial services company, market interest rates are a key driver of our liquidity and capital positions, cash flows, results of operations and financial position. Changes in interest rates can affect these in several ways, including favorable or adverse impacts to:

- investment-related activity, including: investment income returns, net investment spread results, new money rates, mortgage loan prepayments and bond redemptions;
- the valuation of fixed income investments and derivative instruments;
- collateral posting requirements, hedging costs and other risk mitigation activities;
- customer account values and assets under management, including their impacts on fee-related income;
- insurance reserve levels, including market risk benefits ("MRBs"), and market experience true-ups;
- policyholder behavior, including surrender or withdrawal activity;
- product offerings, design features, crediting rates and sales mix; and
- the fair value of, and possible impairments on, intangible assets such as goodwill.

In order to manage the impacts that changes in interest rates have on our net investment spread, we employ a proactive asset/liability management program, which includes strategic asset allocation and hedging strategies within a disciplined risk management framework. These strategies seek to match the liability characteristics of our products and to closely approximate the interest rate sensitivity of assets with that of product liabilities. We also manage duration gaps, currency and other risks between assets and liabilities through the use of derivatives, and adjust these strategies as products, customer behavior, and market conditions evolve. Our interest rate exposure is also mitigated by our business mix, which includes lines of business where fee-based and insurance underwriting earnings play a more prominent role in product profitability. We also regularly examine our product offerings and may reprice or discontinue sales of certain products that do not meet our profit expectations. Additionally, in our Japanese operations, our diverse product portfolio in terms of currency mix and premium payment structure allows us to further manage any impacts from changes in the interest rate environment. For additional information regarding sales within our Japanese operations, see "—International Businesses—Sales Results," below.

For additional information regarding interest rate risks, see "Item 1A. Risk Factors—Market Risk" and "Item 7A. Quantitative and Qualitative Disclosure About Market Risk."

Impact of Foreign Currency Exchange Rates

Foreign currency exchange rate movements and related hedging strategies

As a U.S.-based company with significant business operations outside the U.S., particularly in Japan, we are subject to foreign currency exchange rate movements that could impact our United States dollar ("USD")-equivalent shareholder return on equity. We seek to mitigate this impact through various hedging strategies, including holding USD-denominated assets in certain of our foreign subsidiaries.

In order to reduce equity volatility from foreign currency exchange rate movements, we primarily utilize a yen hedging strategy that calibrates the hedge level to preserve the relative contribution of our yen-based business to the Company's overall return on equity on a leverage neutral basis. We implement this hedging strategy utilizing a variety of instruments, including USD-denominated assets and dual currency and synthetic dual currency investments held locally in our Japanese insurance subsidiaries. The total hedge level may vary based on our periodic assessment of the relative contribution of our yen-based business to the Company's overall return on equity.

The table below presents the aggregate amount of instruments that serve to hedge the impact of foreign currency exchange movements on our USD-equivalent shareholder return on equity from our Japanese insurance subsidiaries as of the dates indicated.

	December 31,	
	2025	2024
	(in billions)	
Foreign currency hedging instruments:		
USD-denominated assets associated with yen-based entities(1)	$ 7.5	$ 6.1
Dual currency and synthetic dual currency investments(2)	0.3	0.3
Total foreign currency hedges	$ 7.8	$ 6.4

(1) Includes USD-denominated fixed maturities at amortized cost plus any related accrued investment income, as well as USD notional amount of foreign currency derivative contracts outstanding. Note this amount represents only those USD assets serving to hedge the impact of foreign currency volatility on equity. Separate from this program, our Japanese operations also have $90.0 billion and $83.2 billion as of December 31, 2025 and 2024, respectively, of USD-denominated assets supporting USD-denominated liabilities related to USD-denominated products.

(2) Dual currency and synthetic dual currency investments are held by our yen-based entities in the form of fixed maturities and loans with a yen-denominated principal component and USD-denominated interest income. The amounts shown represent the present value of future USD-denominated cash flows.

The USD-denominated investments that hedge the impact of foreign currency exchange rate movements on USD-equivalent shareholder return on equity from our Japanese insurance operations are reported within yen-based entities and, as a result, foreign currency exchange rate movements will impact their value reported within our yen-based Japanese insurance entities. We seek to mitigate the risk that future unfavorable foreign currency exchange rate movements will decrease the value of these USD-denominated investments reported within our yen-based Japanese insurance entities, and therefore negatively impact their equity and regulatory solvency margins, by having our Japanese insurance operations enter into currency hedging transactions with a subsidiary of Prudential Financial. These hedging strategies have the economic effect of moving the change in value of these USD-denominated investments due to foreign currency exchange rate movements from our Japanese yen-based entities to our USD-based entities.

These USD-denominated investments also pay a coupon which is generally higher than what a similar yen-denominated investment would pay. The incremental impact of this higher yield on our USD-denominated investments, as well as our dual currency and synthetic dual currency investments, will vary over time, and is dependent on the duration of the underlying investments as well as interest rate environments in both the U.S. and Japan at the time of the investments.

Impact of intercompany foreign currency exchange rate arrangements on segment results of operations

The financial results of our International Businesses and PGIM reflect the impact of intercompany arrangements with our Corporate and Other operations pursuant to which these segments' non-USD-denominated earnings are translated at fixed currency exchange rates that are predetermined during the third quarter of the prior year using forward currency exchange rates. Results of our Corporate and Other operations include differences between the translation adjustments recorded by the segments at the fixed currency exchange rate versus the actual average rate during the period.

In addition, specific to our International Businesses where we hedge certain currencies utilizing forward currency contracts with third parties, the results of our Corporate and Other operations also include the impact of any gains or losses recorded from these contracts that settled during the period, which include the impact of any over or under hedging of actual earnings that differ from projected earnings.

The table below presents, for the periods indicated, the increase (decrease) to revenues and adjusted operating income for our International Businesses, PGIM and Corporate and Other operations, reflecting the impact of these intercompany arrangements.

	Year Ended December 31,		
	2025	2024	2023
		(in millions)	
Segment impacts of intercompany arrangements:			
International Businesses	$ (16)	$ (8)	$ (28)
PGIM	(2)	3	1
Impact of intercompany arrangements(1)	(18)	(5)	(27)
Corporate and Other:			
Impact of intercompany arrangements(1)	18	5	27
Settlement gains (losses) on forward currency contracts(2)	(11)	(11)	(31)
Net benefit (detriment) to Corporate and Other	7	(6)	(4)
Net impact on consolidated revenues and adjusted operating income	$ (11)	$ (11)	$ (31)

(1) Represents the difference between non-USD-denominated earnings translated on the basis of weighted average monthly currency exchange rates versus fixed currency exchange rates determined in connection with the foreign currency income hedging program.

(2) The total notional amount of these forward currency contracts within our Corporate and Other operations was $0.8 billion as of December 31, 2025, 2024, and 2023.

Impact of products denominated in non-local currencies on U.S. GAAP earnings

While our international insurance operations offer products denominated in local currency, several also offer products denominated in non-local currencies. This is most notable in our Japanese operations, which currently offer primarily USD-denominated products, but have also historically offered Australian dollar ("AUD")-denominated products. The non-local currency-denominated insurance liabilities related to these products are supported by investments denominated in corresponding currencies, including a significant portion designated as available-for-sale. While the impact from foreign currency exchange rate movements on these non-local currency-denominated assets and liabilities is economically matched, differences in the accounting for changes in the value of these assets and liabilities due to changes in foreign currency exchange rate movements have historically resulted in volatility in U.S. GAAP earnings.

As a result, we implemented a structure in certain of our Japanese operations that disaggregated the USD- and AUD-denominated businesses into separate divisions, each with its own functional currency that aligns with the underlying products and investments. The result of this alignment was to reduce differences in the accounting for changes in the value of these assets and liabilities that arise due to changes in foreign currency exchange rate movements. For the USD- and AUD-denominated assets that were transferred under this structure, the net cumulative unrealized investment gains associated with foreign exchange remeasurement that were recorded in "Accumulated other comprehensive income (loss)" ("AOCI") totaled $1.0 billion and $1.1 billion as of December 31, 2025 and 2024, respectively, and will be recognized in earnings within "Realized investment gains (losses), net" over time as these assets mature or are sold. Absent the sale of any of these assets prior to their stated maturity, approximately 5% of the $1.0 billion balance as of December 31, 2025 will be recognized in 2026, approximately 3% will be recognized in 2027, and the remaining balance will be recognized from 2028 through 2051.

Highly inflationary economy

Enterprise Group, our strategic investment in Ghana, has historically utilized the Ghanaian cedi as its functional currency given it is the currency of the primary economic environment in which the entity operates. In the fourth quarter of 2023, Ghana experienced a cumulative inflation rate that exceeded 100% over a 3-year period. As a result, Ghana's economy was deemed to be highly inflationary, resulting in reporting changes effective January 1, 2024. Under U.S. GAAP, the financial statements of a foreign entity in a highly inflationary economy are to be remeasured as if its functional currency (formerly the Ghanaian cedi) is the reporting currency of its parent reporting entity (the USD) on a prospective basis. While this changed how the results of Enterprise Group were remeasured and/or translated into USD, the impact to our financial statements was not material nor is it expected to have a material impact to our financial statements in future periods given the relative size of the investment.

Results of Operations

Consolidated Results of Operations

The following section provides a comparative discussion of our consolidated results of operations on a U.S. GAAP basis for the periods indicated.

	Year Ended December 31,		
	2025	2024	2023
		(in millions)	
REVENUES			
Premiums	$ 30,797	$ 42,897	$ 27,364
Policy charges and fee income	4,666	4,298	4,527
Net investment income	21,473	19,909	17,865
Asset management and service fees	4,019	4,090	3,717
Other income (loss)	4,426	3,037	4,065
Realized investment gains (losses), net	(4,132)	(3,429)	(3,615)
Change in value of market risk benefits, net of related hedging gains (losses)	(475)	(397)	56
Total revenues	60,774	70,405	53,979
BENEFITS AND EXPENSES			
Policyholders' benefits	35,224	47,119	30,931
Change in estimates of liability for future policy benefits	103	(37)	337
Interest credited to policyholders' account balances	5,068	4,582	3,983
Dividends to policyholders	1,076	698	1,069
Amortization of deferred policy acquisition costs	1,635	1,492	1,459
Goodwill impairment	0	0	177
General and administrative expenses	13,012	13,342	12,951
Total benefits and expenses	56,118	67,196	50,907
INCOME (LOSS) BEFORE INCOME TAXES AND EQUITY IN EARNINGS OF JOINT VENTURES AND OTHER OPERATING ENTITIES	4,656	3,209	3,072
Total income tax expense (benefit)	1,053	507	613
INCOME (LOSS) BEFORE EQUITY IN EARNINGS OF JOINT VENTURES AND OTHER OPERATING ENTITIES	3,603	2,702	2,459
Equity in earnings of joint ventures and other operating entities, net of taxes	129	144	49
NET INCOME (LOSS)	3,732	2,846	2,508
Less: Income (loss) attributable to noncontrolling interests and redeemable noncontrolling interests	156	119	20
NET INCOME (LOSS) ATTRIBUTABLE TO PRUDENTIAL FINANCIAL, INC.	$ 3,576	$ 2,727	$ 2,488

2025 to 2024 Annual Comparison

"Net income (loss) attributable to Prudential Financial, Inc." increased $849 million, inclusive of a $546 million unfavorable variance from income taxes, primarily driven by the increase in pre-tax earnings, as described below, and the impact of certain tax law and rate changes in the current year. See "—Income Taxes" for additional information.

On a pre-tax basis, "Income (loss) before income taxes and equity in earnings of joint ventures and other operating entities" increased $1,447 million, reflecting the following notable items:

"Total revenues" decreased $9,631 million, primarily due to the following:

- "Premiums" — $12,100 million unfavorable variance, primarily reflecting lower pension risk transfer premiums due to lower sales in the current year, with corresponding offsets in "Policyholders' benefits," as discussed below; and
- "Realized investment gains (losses), net" — $703 million unfavorable variance, primarily reflecting unfavorable derivative results, excluding Funds Withheld portfolios, as well as unfavorable impacts from Funds Withheld related embedded derivatives, which are offset by changes in the value of the investments in these portfolios that are primarily recorded in "Other income (loss)" or through "Other comprehensive income." These variances were partially offset by lower losses from the sales of fixed income securities, and less unfavorable impacts from net credit

losses and impairments. See "—General Account Investments—Realized Investment Gains and Losses" for additional information.

These variances were partially offset by:

- "Net investment income" — $1,564 million favorable variance, primarily reflecting business growth and higher reinvestment rates. See "—General Account Investments—Investment Results" for additional information; and
- "Other income (loss)" — $1,389 million favorable variance, primarily reflecting favorable changes in the market value of fixed income securities designated as trading, including those within our Funds Withheld portfolios, as discussed above.

"Total benefits and expenses" decreased $11,078 million, primarily due to the following:

- "Policyholders' benefits" — $11,895 million favorable variance, primarily reflecting lower pension risk transfer premiums, as discussed above; and
- "General and administrative expenses" — $330 million favorable variance, net of deferrals, primarily reflecting lower operating expenses, partially offset by higher variable expenses supporting business growth.

These variances were partially offset by:

- "Interest credited to policyholders' account balances" — $486 million unfavorable variance, primarily reflecting business growth.

Segment Results of Operations

We analyze the performance of our segments and Corporate and Other operations using a measure of segment profitability called adjusted operating income. See "—Segment Measures" below for a discussion of adjusted operating income and its use as a measure of segment operating performance.

Annual Reviews and Update of Assumptions and Other Refinements

During the second quarter of each year, we perform an annual comprehensive review of the assumptions used for estimating future premiums, benefits, and other cash flows, including reviews related to mortality, morbidity, lapse, surrender, and other contractholder behavior assumptions, and economic assumptions, including expected future rates of returns on investments. The Company generally looks to relevant Company experience as the primary basis for these assumptions; however, if relevant Company experience is not available or does not have sufficient credibility, the Company may look to experience of similar blocks of business, either elsewhere within the Company or within the industry. As part of this review, we may update these assumptions and make refinements to our models based upon emerging experience, future expectations and other data, including any observable market data we feel is indicative of a long-term trend. These assumptions are generally reviewed annually unless a material change in our own experience or in industry experience made available to us is observed in an interim period that we feel is also indicative of a long-term trend. Generally, we do not expect trends to change significantly in the short-term and, to the extent these trends may change, we expect such changes to be gradual over the long-term. The impact on our results of operations of changes in these assumptions can be offsetting and we are unable to predict their movement or offsetting impact over time.

Shown below are the impacts on our adjusted operating income from updates of actuarial assumptions and other refinements as discussed above. The information below is presented by each segment and Corporate and Other operations and includes a reconciliation of these impacts to the impacts within income (loss) before income taxes and equity in earnings of joint ventures and other operating entities.

	Year Ended December 31,		
	2025	2024	2023
		(in millions)	
Favorable (unfavorable) impact to adjusted operating income before income taxes by segment:			
U.S. Businesses:			
Retirement Strategies	$ (113)	$ 140	$ 6
Group Insurance	11	25	36
Individual Life	58	(98)	(26)
Total U.S. Businesses	(44)	67	16
International Businesses	(2)	(55)	13
Corporate and Other	0	(6)	(2)
Total segment favorable (unfavorable) impact to adjusted operating income before income taxes	(46)	6	27
Reconciling items:			
Realized investment gains (losses), net, and related charges and adjustments	146	831	(66)
Change in value of market risk benefits, net of related hedging gains (losses)	(263)	(88)	(275)
Divested and Run-off Businesses:			
Closed Block division	0	0	0
Other Divested and Run-off Businesses	(7)	110	(83)
Favorable (unfavorable) impact to consolidated income (loss) before income taxes and equity in earnings of joint ventures and other operating entities	$ (170)	$ 859	$ (397)

Shown below are the adjusted operating income contributions of each segment and Corporate and Other operations for the periods indicated and a reconciliation of this segment measure of performance to “Income (loss) before income taxes and equity in earnings of joint ventures and other operating entities” as presented in the Consolidated Statements of Operations.

	Year Ended December 31,		
	2025	2024	2023
		(in millions)	
Adjusted operating income before income taxes by segment:			
PGIM	$ 878	$ 875	$ 713
U.S. Businesses:			
Retirement Strategies	3,445	3,619	3,513
Group Insurance	381	314	319
Individual Life	260	(205)	(95)
Total U.S. Businesses	4,086	3,728	3,737
International Businesses	3,247	3,106	3,183
Corporate and Other	(1,574)	(1,783)	(2,034)
Total segment adjusted operating income before income taxes	6,637	5,926	5,599
Reconciling items:			
Realized investment gains (losses), net, and related charges and adjustments(1)	(1,618)	(2,150)	(2,510)
Change in value of market risk benefits, net of related hedging gains (losses)	(475)	(397)	56
Market experience updates	68	(52)	110
Divested and Run-off Businesses(2):			
Closed Block division	(68)	(113)	(100)
Other Divested and Run-off Businesses	107	30	21
Equity in earnings of joint ventures and other operating entities and earnings attributable to noncontrolling interests(3)	(20)	(16)	(68)
Other adjustments(4)	25	(19)	(36)
Consolidated income (loss) before income taxes and equity in earnings of joint ventures and other operating entities	$ 4,656	$ 3,209	$ 3,072

(1) See "—General Account Investments" and Note 23 to the Consolidated Financial Statements for additional information.
(2) Represents the contribution to income (loss) of Divested and Run-off Businesses that have been or will be sold or exited, including businesses that have been placed in wind-down, but did not qualify for "discontinued operations" accounting treatment under U.S. GAAP. See "—Divested and Run-off Businesses" and "—Closed Block Division" for additional information.
(3) Equity in earnings of joint ventures and other operating entities is included in adjusted operating income but excluded from "Income (loss) before income taxes and equity in earnings of joint ventures and other operating entities" as it is reflected on an after-tax U.S. GAAP basis as a separate line in the Consolidated Statements of Operations. Earnings attributable to noncontrolling interests are excluded from adjusted operating income but included in "Income (loss) before income taxes and equity in earnings of joint ventures and other operating entities" as they are reflected on a U.S. GAAP basis as a separate line in the Consolidated Statements of Operations. Earnings attributable to noncontrolling interests represent the portion of earnings from consolidated entities that relates to the equity interests of minority investors.
(4) Includes certain components of consideration for business acquisitions, which are recognized as compensation expense over the requisite service periods.

Segment results for 2025 presented above reflect the following:

PGIM. Results for 2025 increased in comparison to 2024, primarily reflecting higher net asset management fees and higher net service, distribution and other revenues, driven by a gain on sale of our asset management business in Taiwan, largely offset by higher expenses, including charges resulting from a business reorganization, and lower net other related revenues.

Retirement Strategies. Results for 2025 decreased in comparison to 2024, inclusive of an unfavorable comparative net impact from our annual reviews and update of assumptions and other refinements. Excluding this item, results increased, primarily reflecting higher net investment spread results, partially offset by higher expenses and lower net fee income.

Group Insurance. Results for 2025 increased in comparison to 2024, inclusive of a less favorable comparative net impact from our annual reviews and update of assumptions and other refinements. Excluding this item, results increased, primarily reflecting higher net underwriting results, partially offset by higher expenses.

Individual Life. Results for 2025 increased in comparison to 2024, inclusive of a favorable comparative net impact from our annual reviews and update of assumptions and other refinements. Excluding this item, results increased, primarily reflecting higher underwriting results and lower expenses, partially offset by lower net investment spread results.

International Businesses. Results for 2025 increased in comparison to 2024, inclusive of an unfavorable comparative net impact from foreign currency exchange rates and a favorable comparative net impact from our annual reviews and update of assumptions and other refinements. Excluding these items, results increased, primarily reflecting higher net investment spread results and higher underwriting results, partially offset by higher expenses.

Corporate and Other. Results for 2025 were less unfavorable in comparison to 2024, primarily reflecting lower net charges from other corporate activities.

Closed Block Division. Results for 2025 increased in comparison to 2024, primarily reflecting higher net investment activity results, partially offset by changes in the policyholder dividend obligation.

Segment Measures

Adjusted Operating Income. In managing our business, we analyze the operating performance of our segments and our Corporate and Other operations using "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 we use to evaluate segment performance and allocate resources and, consistent with authoritative guidance, is our measure of segment performance. The adjustments to derive adjusted operating income are important to an understanding of our overall results of operations. Adjusted operating income is not a substitute for income determined in accordance with U.S. GAAP, and our definition of adjusted operating income may differ from that used by other companies; however, we believe that the presentation of adjusted operating income as we measure it for management purposes enhances the understanding of our results of operations by highlighting the results from ongoing operations and the underlying profitability of our businesses.

See Note 23 to the Consolidated Financial Statements for additional information regarding the presentation of segment results and our definition of adjusted operating income.

Annualized New Business Premiums. In managing our Individual Life, Group Insurance and International Businesses segments, we analyze annualized new business premiums, which do not correspond to revenues under U.S. GAAP. Annualized new business premiums measure the current sales performance of the business, while revenues primarily reflect the renewal persistency of policies written in prior years and net investment income, in addition to current sales. Annualized new business premiums include 10% of first year premiums or deposits from single-payment products in our Individual Life and International Businesses segments. No other adjustments are made for limited-payment contracts.

The amount of annualized new business premiums for any given period can be significantly impacted by several factors, including but not limited to: addition of new products, discontinuation of existing products, changes in credited interest rates for certain products and other product modifications, changes in premium rates, changes in tax laws, changes in regulations or changes in the competitive environment. Sales volume may increase or decrease prior to certain of these changes becoming effective, and then fluctuate in the other direction following such changes.

Assets Under Management. In managing our PGIM segment, we analyze assets under management (which do not correspond directly to U.S. GAAP assets) because the principal source of revenues is fees based on assets under management. Assets under management represent the fair market value or account value of assets that we manage directly for institutional clients, retail clients, and for our general account, as well as assets invested in our products that are managed by third-party managers.

Account Values. In managing our Retirement Strategies segment, we analyze account values, which do not correspond directly to U.S. GAAP assets. Net additions (withdrawals) in our Institutional Retirement Strategies business and sales (redemptions) in our Individual Retirement Strategies business do not correspond to revenues under U.S. GAAP but are used as a relevant measure of business activity.

Results of Operations by Segment

PGIM

Business Update

- In July 2024, the Company exited PGIM Wadhwani LLP ("PGIMW"), our London-based managed futures investment management firm. The results of PGIMW, beginning in the second quarter of 2024, are reflected in Divested and Run-off Businesses included within our Corporate and Other operations.

Operating Results

The following table sets forth PGIM's operating results for the periods indicated:

	Year Ended December 31,		
	2025	2024	2023
		(in millions)	
Operating results(1):			
Revenues	$ 4,231	$ 4,092	$ 3,638
Expenses	3,353	3,217	2,925
Adjusted operating income	878	875	713
Equity in earnings of joint ventures and other operating entities and earnings attributable to noncontrolling interests	107	132	16
Other adjustments(2)	25	(19)	(36)
Income (loss) before income taxes and equity in earnings of joint ventures and other operating entities	$ 1,010	$ 988	$ 693

(1) Certain of PGIM's investment activities are based in currencies other than the USD and are therefore subject to foreign currency exchange rate risk. The financial results of PGIM include the impact of an intercompany arrangement with our Corporate and Other operations designed to mitigate the impact of exchange rate changes on PGIM's USD-equivalent earnings. For additional information regarding this intercompany arrangement, see "—External and Economic Factors—Impact of Foreign Currency Exchange Rates," above.

(2) Includes certain components of consideration for business acquisitions, which are recognized as compensation expense over the requisite service periods.

2025 to 2024 Annual Comparison

Adjusted operating income increased $3 million, primarily reflecting:

- higher net asset management fees; and
- higher net service, distribution and other revenues driven by a gain on the sale of our asset management business in Taiwan.

These variances were largely offset by:

- higher operating expenses, primarily driven by charges resulting from a business reorganization and to support business growth; and
- lower net other related revenues.

The following table sets forth PGIM's revenues, presented on a basis consistent with the table above under "—Operating Results," by type:

	Year Ended December 31,		
	2025	2024	2023
		(in millions)	
Revenues by type:			
Asset management fees by source:			
Institutional - Third Party(1)	$ 1,568	$ 1,484	$ 1,395
Retail - Third Party(1)	911	868	758
Affiliated(1)(2)	876	827	766
Total asset management fees	3,355	3,179	2,919
Other related revenues by source:			
Incentive fees	98	202	46
Transaction fees	24	24	17
Seed and co-investments	90	135	127
Commercial mortgage(3)	108	69	57
Total other related revenues	320	430	247
Service, distribution and other revenues	556	483	472
Total revenues	$ 4,231	$ 4,092	$ 3,638

(1) Prior period amounts have been updated to conform to current period presentation.
(2) Includes revenues from the Company's general account assets, as well as certain separate account assets of the Company's insurance and retirement businesses managed by PGIM.
(3) Includes mortgage origination revenues from our commercial mortgage origination and servicing business.

Revenues increased $139 million, primarily reflecting:

- higher asset management fees, driven by higher average assets under management from the impact of equity market and fixed income appreciation, net inflows and strong investment performance; and
- higher service, distribution and other revenues, primarily reflecting the gain on sale of our asset management business in Taiwan and higher revenues from certain consolidated funds (which were fully offset by higher expenses related to noncontrolling interests in these funds).

These variances were partially offset by:

- lower other related revenues, primarily reflecting lower incentive fees and lower seed and co-investments earnings, driven by less favorable investment performance, partially offset by higher commercial mortgage origination revenues from higher loan production.

Expenses increased $136 million, primarily reflecting:

- higher operating expenses, primarily driven by charges resulting from a business reorganization and to support business growth; and
- higher variable expenses, primarily driven by higher fee-based earnings, and higher revenues from certain consolidated funds, as discussed above, partially offset by lower expenses related to performance-based incentive fees.

Assets Under Management

The following table sets forth assets under management by asset class as of the dates indicated:

	December 31,		
	2025	2024	2023
		(in billions)	
Assets Under Management(1) (at fair value):			
Public equity	$ 223.1	$ 215.7	$ 183.6
Public fixed income	902.7	832.2	799.8
Real estate	134.4	127.2	129.2
Private credit and other alternatives	127.4	118.0	112.1
Multi-asset	78.5	82.1	73.4
Total PGIM assets under management	$ 1,466.1	$ 1,375.2	$ 1,298.1
Assets under management within other reporting segments(2)	143.0	137.2	151.5
Total PFI assets under management	$ 1,609.1	$ 1,512.4	$ 1,449.6

(1) "Public equity" represents stock ownership interest in a corporation or partnership (excluding hedge funds) or real estate investment trust. "Public fixed income" represents debt instruments that pay interest and usually have a maturity (excluding mortgages). "Real estate" includes direct real estate equity and real estate mortgages. "Private credit and other alternatives" includes private credit, private equity, hedge funds and other alternative strategies. "Multi-asset" includes funds or products that invest in more than one asset class, balancing equity and fixed income funds and target date funds.

(2) Primarily includes assets related to certain insurance and retirement products in our U.S. Businesses and Corporate and Other operations, and certain general account assets in our International Businesses. These assets are not directly managed by PGIM, but rather are invested in non-proprietary funds or are managed by either the divisions themselves or by our Chief Investment Officer Organization.

The following table sets forth assets under management by source as of the dates indicated:

	December 31,		
	2025	2024	2023
		(in billions)	
Assets Under Management (at fair value):			
Institutional - Third Party(1)	$ 652.0	$ 601.1	$ 562.7
Retail - Third Party(1)	267.0	244.9	215.5
Affiliated(1)(2)	547.1	529.2	519.9
Total PGIM assets under management	$ 1,466.1	$ 1,375.2	$ 1,298.1
Assets under management within other reporting segments(3)	143.0	137.2	151.5
Total PFI assets under management	$ 1,609.1	$ 1,512.4	$ 1,449.6

(1) Prior period amounts have been updated to conform to current period presentation.

(2) Includes the Company's general account assets, as well as certain separate account assets of the Company's insurance and retirement businesses managed by PGIM.

(3) Primarily includes assets related to certain insurance and retirement products in our U.S. Businesses and Corporate and Other operations, and certain general account assets in our International Businesses. These assets are not directly managed by PGIM, but rather are invested in non-proprietary funds or are managed by either the divisions themselves or by our Chief Investment Officer Organization.

The following table sets forth the component changes in PGIM's assets under management for the periods indicated:

	December 31,		
	2025	2024	2023
	(in billions)		
Beginning assets under management	$ 1,375.2	$ 1,298.1	$ 1,228.4
Institutional third-party flows(1)	6.1	21.7	(18.6)
Retail third-party flows	(4.0)	1.4	(15.1)
Total third-party flows(1)	2.1	23.1	(33.7)
Affiliated flows(1)(2)	(1.6)	24.6	(5.4)
Total net flows(1)	0.5	47.7	(39.1)
Realizations and distributions(1)(3)	(14.4)	(9.9)	(4.9)
Market appreciation (depreciation)(4)	106.1	60.6	118.3
Foreign exchange rate impact	3.6	(9.4)	(4.3)
Net money market activity and other increases (decreases)(1)	(4.9)	(11.9)	(0.3)
Ending assets under management	$ 1,466.1	$ 1,375.2	$ 1,298.1

(1) Prior period amounts have been updated to conform to current period presentation.
(2) Represents assets that PGIM manages for the benefit of other reporting segments within the Company. Additions and withdrawals of these assets are attributable to third-party product inflows and outflows in other reporting segments.
(3) Realizations reflect proceeds from the disposition or monetization of assets from closed end funds and from collateralized loan obligations ("CLOs"). Distributions reflect income and dividend distributions related to certain closed and open ended private alternative funds and CLOs.
(4) Includes income reinvestment, where applicable.

2025 to 2024 Annual Comparison

PGIM's assets under management increased $91 billion in 2025, primarily driven by fixed income and equity market appreciation, partially offset by realizations and distributions.

Private Capital Deployment

Private capital deployment is indicative of the pace and magnitude of capital that is invested and will result in future revenues that may include management fees, transaction fees, incentive fees and servicing revenues, as well as future costs to manage these assets.

Private capital deployment represents the gross value of private capital invested in real estate debt and equity, and private credit and equity asset classes. Assets under management resulting from private capital deployment are primarily included in "Real estate" and "Private credit and other alternatives" in the "—Assets Under Management—by asset class table" above. As of December 31, 2025, these assets increased approximately $16.6 billion compared to December 31, 2024, primarily reflecting private capital net inflows, market appreciation and favorable foreign exchange rate impacts, partially offset by realizations and distributions.

Private capital deployment includes PGIM's real estate agency debt business, which consists of agency commercial mortgage loans that are originated and sold to third-party investors. PGIM continues to service these loans; however, they are not included in assets under management.

The following table sets forth PGIM's private capital deployed by asset class for the periods indicated:

	December 31,		
	2025	2024	2023
	(in billions)		
Private capital deployed:			
Real estate debt and equity	$ 26.8	$ 20.9	$ 17.6
Private credit and equity	28.1	22.4	14.0
Total private capital deployed	$ 54.9	$ 43.3	$ 31.6

Seed and Co-Investments

As of December 31, 2025 and 2024, PGIM had approximately $1,155 million and $1,079 million of seed investments and $375 million and $415 million of co-investments at carrying value, respectively, primarily consisting of public fixed income, public equity, real estate investments, and private credit and other alternatives.

Retirement Strategies

Operating Results

The following table sets forth Retirement Strategies' operating results for the periods indicated:

	Year Ended December 31,		
	2025	2024	2023
		(in millions)	
Operating results:			
Revenues:			
Institutional Retirement Strategies	$ 16,657	$ 28,195	$ 11,030
Individual Retirement Strategies	5,541	5,125	4,532
Total revenues	22,198	33,320	15,562
Benefits and expenses:			
Institutional Retirement Strategies	14,944	26,339	9,335
Individual Retirement Strategies	3,809	3,362	2,714
Total benefits and expenses	18,753	29,701	12,049
Adjusted operating income:			
Institutional Retirement Strategies	1,713	1,856	1,695
Individual Retirement Strategies	1,732	1,763	1,818
Total adjusted operating income	3,445	3,619	3,513
Realized investment gains (losses), net, and related charges and adjustments	(893)	(594)	(1,665)
Change in value of market risk benefits, net of related hedging gains (losses)	(493)	(414)	42
Market experience updates	(16)	0	0
Equity in earnings of joint ventures and other operating entities and earnings attributable to noncontrolling interests	3	1	0
Income (loss) before income taxes and equity in earnings of joint ventures and other operating entities	$ 2,046	$ 2,612	$ 1,890

Our Individual Retirement Strategies business includes both fixed and variable annuities that may include optional guaranteed living benefit riders (e.g., guaranteed minimum income benefits ("GMIB"), guaranteed minimum accumulation benefits ("GMAB"), guaranteed minimum withdrawal benefits ("GMWB") and guaranteed minimum income and withdrawal benefits ("GMIWB")), and/or optional death benefit riders (e.g., guaranteed minimum death benefits ("GMDB")). We also offer fixed annuities that provide a guarantee of principal and interest credited at rates we determine (subject to certain contractual minimums) or at rates based upon the performance of an index (subject to caps or participation rates), as well as indexed variable annuities that provide several index crediting strategies and varying levels of downside protection at predetermined levels and durations. The results of our business are generally included in adjusted operating income, with exceptions related to certain guarantees, as discussed below.

Under U.S. GAAP, our guaranteed living and death benefit riders on variable annuities (e.g., GMAB, GMIB, GMWB, GMIWB and GMDB) are accounted for as MRBs and reported at fair value. For purposes of measuring segment performance, adjusted operating income excludes the changes in fair value of MRBs and instead reflects the performance of these riders in net income, net of related hedges, in "Change in value of market risk benefits, net of related hedging gains (losses)," except for the portion of the change attributable to changes in the Company's non-performance risk ("NPR") which is recorded in OCI.

Under U.S. GAAP, policyholder liabilities associated with our fixed and variable indexed annuity products are recorded in "Policyholders' account balances," and include both the contract value that has accrued to the benefit of the policyholder and the fair value of embedded derivative instruments associated with the index-linked features for these products. The change in

the liability for these products is measured utilizing a valuation methodology required under U.S GAAP and includes the fair value of all index credits for the current term and future projected renewals of the policy. For the purpose of measuring segment performance, however, adjusted operating income reflects only the change in the liability associated with the current term elected by the policyholder, which is the component of the liability the Company hedges based on current contractual index-crediting terms, and which is offset by the change in the value of the corresponding hedge assets. Adjusted operating income excludes the change in the liability associated with all future projected renewals, which the Company does not hedge, consistent with the Company and policyholder optionality that exists at renewal.

2025 to 2024 Annual Comparison

Adjusted operating income from our Institutional Retirement Strategies business decreased $143 million, including an unfavorable comparative net impact from our annual reviews and update of assumptions and other refinements. Results for 2025 included a net charge from this update of $32 million, while the results for 2024 included a net benefit of $132 million driven by favorable impacts related to assumptions for mortality.

Excluding this item, adjusted operating income increased $21 million, primarily reflecting:

- higher net investment spread results, driven by an increase in account values due to business growth, partially offset by lower income from derivatives; and
- higher fee income, due to business growth of longevity reinsurance transactions.

These variances were partially offset by:

- higher operating expenses, driven by an update of internal expense allocations.

Adjusted operating income from our Individual Retirement Strategies business decreased $31 million, including an unfavorable comparative net impact from our annual reviews and update of assumptions and other refinements. Results for 2025 included a net charge from this update of $81 million, mainly due to the establishment of reserves for certain fixed annuity products, while the results for 2024 included a net benefit of $8 million.

Excluding this item, adjusted operating income increased $58 million, primarily reflecting:

- higher net investment spread results, due to growth in indexed variable and fixed annuities and higher income from non-coupon investments, partially offset by the impact of lower short-term interest rates.

This variance was partially offset by:

- lower fee income, net of distribution expenses, due to lower average separate account values driven by net outflows from the run-off of the traditional variable annuity block, partially offset by favorable equity markets; and
- higher amortization costs.

Revenues from our Institutional Retirement Strategies business decreased $11,538 million. Excluding the impact of our annual reviews and update of assumptions and other refinements, as discussed above, revenues decreased $11,926 million, primarily reflecting:

- lower pension risk transfer premiums due to the absence of significant sales that occurred in the prior year, with corresponding offsets in policyholders' benefits, as discussed below.

Benefits and expenses of our Institutional Retirement Strategies business decreased $11,395 million. Excluding the impact of our annual reviews and update of assumptions and other refinements, as discussed above, benefits and expenses decreased $11,947 million, primarily reflecting:

- lower policyholders' benefits, including changes in reserves, related to the lower pension risk transfer premiums discussed above.

Revenues from our Individual Retirement Strategies business increased $416 million. Excluding the impact of our annual reviews and update of assumptions and other refinements, as discussed above, revenues increased $408 million, primarily reflecting:

- higher net investment income, from growth in indexed variable and fixed annuities and higher income from non-coupon investments.

This variance was partially offset by:

- lower asset management and service fees, as well as lower policy charges and fee income due to lower average separate account values, driven by net outflows from the run-off of the traditional variable annuity block, partially offset by favorable equity markets; and
- lower other income, driven by the impact of less favorable short-term interest rates on collateral posted to counterparties.

Benefits and expenses of our Individual Retirement Strategies business increased $447 million. Excluding the impact of our annual reviews and update of assumptions and other refinements, as discussed above, benefits and expenses increased $350 million, primarily reflecting:

- higher interest credited to policyholders' account balances and higher amortization of deferred policy acquisition costs, reflecting business growth.

This variance was partially offset by:

- lower general and administrative expenses.

Account Values

Institutional Retirement Strategies. Account values are a significant driver of our operating results and are primarily driven by net additions (withdrawals) and the impact of market changes. The investment income and interest we credit to policyholders on our spread-based products varies with the level of general account values. The income we earn on most of our fee-based products varies with the level of fee-based account values as many policy fees are determined by these values.

The following tables set forth account value information of Institutional Retirement Strategies' products for the periods indicated. Account values include both internally- and externally-managed client balances as the total balances drive revenue for the Institutional Retirement Strategies business. For additional information regarding internally-managed balances, see "—PGIM."

	Year Ended December 31,		
	2025	2024	2023
		(in millions)	
Total Institutional Retirement Strategies:			
Beginning total account value, gross(1)	$ 288,202	$ 267,654	$ 251,818
Additions(2)	25,944	36,331	28,498
Withdrawals and benefits	(25,520)	(25,327)	(25,283)
Change in market value, interest credited and interest income	11,893	10,590	7,722
Other(3)	8,128	(1,046)	4,899
Ending total account value, gross	308,647	288,202	267,654
Reinsurance ceded	(9,029)	(9,011)	(9,237)
Ending total account value, net	$ 299,618	$ 279,191	$ 258,417
Amounts included in "Ending account value, net" above:			
Investment-only stable value wraps	$ 61,725	$ 61,286	$ 64,098
International reinsurance(4)	125,211	108,882	102,544
Group annuities and other products	112,682	109,023	91,775
Total	$ 299,618	$ 279,191	$ 258,417
Additions by product(2):			
Investment-only stable value wraps	$ 3,523	$ 2,014	$ 3,158
International reinsurance	12,052	9,977	17,094
Group annuities and other products	10,369	24,340	8,246
Total	$ 25,944	$ 36,331	$ 28,498

(1) Beginning total account values, net of reinsurance ceded, were $279,191 million, $258,417 million and $251,818 million for the years ended

December 31, 2025, 2024 and 2023, respectively.

(2) Additions primarily include: group annuities and funded pension reinsurance calculated based on premiums received; longevity reinsurance contracts calculated as the present value of future projected benefits; investment-only stable value contracts calculated as the fair value of customers' funds held in a client-owned trust; and funding agreements issued calculated based on premiums received.

(3) "Other" activity includes the effect of foreign exchange rate changes associated with our international reinsurance business and changes in asset balances for externally-managed accounts. For the years ended December 31, 2025, 2024 and 2023, "Other" activity also includes $3,648 million in receipts offset by $3,698 million in payments, $3,148 million in receipts offset by $3,231 million in payments, and $3,557 million in receipts offset by $3,533 million in payments, respectively, related to funding agreements backed by commercial paper that typically have maturities of less than 90 days.

(4) Represents notional amounts based on present value of future benefits under international reinsurance contracts.

2025 to 2024 Annual Comparison

The increase in Institutional Retirement Strategies net account values primarily reflects:

- interest credited on customer funds and an increase in the market value of assets; and
- the positive impact of foreign exchange rate changes.

Individual Retirement Strategies. Account values are a significant driver of our operating results. Since most fees are determined by the level of separate account assets, fee income varies primarily based on the level of account values. Account values are driven by net flows from new business sales, surrenders, withdrawals and benefit payments, policy charges and the impact of positive or negative market value changes.

The following tables set forth account value information of Individual Retirement Strategies' products for the periods indicated:

	Year Ended December 31,		
	2025	2024	2023
		(in millions)	
Total Individual Retirement Strategies:			
Beginning total account value, gross(1)	$ 138,639	$ 129,708	$ 120,022
Sales	13,583	14,067	7,635
Full surrenders and death benefits	(11,702)	(11,093)	(6,766)
Sales, net of full surrenders and death benefits	1,881	2,974	869
Partial withdrawals and other benefit payments	(5,513)	(5,180)	(4,531)
Net flows	(3,632)	(2,206)	(3,662)
Change in market value, interest credited and other activity	15,625	13,308	15,624
Policy charges	(2,038)	(2,171)	(2,276)
Ending total account value, gross	148,594	138,639	129,708
Reinsurance ceded	(11,813)	(11,519)	(11,797)
Ending total account value, net	$ 136,781	$ 127,120	$ 117,911
Amounts included in "Ending account value, net" above:			
FlexGuard suite(2)	$ 42,336	$ 31,017	$ 19,053
Variable annuities(3)	80,088	85,832	92,282
Fixed annuities	14,357	10,271	6,576
Total	$ 136,781	$ 127,120	$ 117,911
Sales by product:			
FlexGuard suite(2)	$ 7,580	$ 8,703	$ 4,870
Variable annuities(3)	176	191	182
Fixed annuities	5,827	5,173	2,583
Total	$ 13,583	$ 14,067	$ 7,635

(1) Beginning total account values, net of reinsurance ceded, were $127,120 million, $117,911 million, and $119,205 million for the years ended December 31, 2025, 2024 and 2023, respectively.

(2) Includes Prudential FlexGuard and FlexGuard Income index variable annuities.

(3) Includes Prudential Premier Investment, MyRock and other variable contracts with and without guaranteed minimum income and withdrawal benefits.

2025 to 2024 Annual Comparison

The decrease in Individual Retirement Strategies sales, net of full surrenders and death benefits, primarily reflects:

- higher full surrenders; and
- lower sales of indexed variable annuities products.

The increase in Individual Retirement Strategies net account values primarily reflects:

- market value appreciation.

This variance was partially offset by:

- lower net flows driven by net outflows from the run-off of the traditional variable annuity block, partially offset by net indexed variable and fixed annuity inflows.

Risks and Risk Mitigants

The following is a summary of certain risks associated with Individual Retirement Strategies' products, certain strategies in mitigating those risks including any updates to those strategies since the previous year-end, and the related financial results.

Fixed Annuity Risks and Risk Mitigants. The primary risk exposure of our fixed annuity products relates to investment risks we bear for providing customers a minimum guaranteed interest rate or an index-linked interest rate required to be credited to the customer's account value, which include interest rate fluctuations and/or sustained periods of low interest rates, and credit risk related to the underlying investments. We manage these risk exposures primarily through our investment strategies, inclusive of derivatives, and product design features, which include credit rate resetting subject to the minimum guaranteed interest rate as well as surrender charges applied during the early years of the contract that help to provide protection for premature withdrawals. In addition, a portion of our fixed products has a market value adjustment provision that affords protection of lapse in the case of rising interest rates. We also manage these risk exposures through external reinsurance for certain of our fixed annuity products. For additional information regarding our external reinsurance agreements, see Note 15 to the Consolidated Financial Statements.

Indexed Variable Annuity Risks and Risk Mitigants. The primary risk exposure of our indexed variable annuity products relates to the investment risks we bear in order to credit to the customer's account balance the required crediting rate based on the performance of the elected indices at the end of each term. We manage this risk primarily through our investment strategies, inclusive of derivatives, and product design features, which include credit rate resetting subject to contractual minimums as well as surrender charges applied during the early years of the contract that help to provide protection for premature withdrawals. In addition, our indexed variable annuity strategies have an interim value provision that provides some protection from lapse in the case of rising interest rates.

Variable Annuity Risks and Risk Mitigants. The primary risk exposures of our variable annuity contracts relate to actual deviations from, or changes to, the assumptions used in the original pricing of these products, including capital markets assumptions such as equity market returns, interest rates and market volatility, along with actuarial assumptions such as contractholder mortality, the timing and amount of annuitization and withdrawals, and contract lapses. For these risk exposures, achievement of our expected returns is subject to the risk that actual experience will differ from the assumptions used in the original pricing of these products. We manage our exposure to certain risks driven by fluctuations in capital markets primarily through a combination of (i) Product Design Features, and (ii) our Asset Liability Management Strategy, as discussed below. We also manage these risk exposures through external reinsurance for certain of our variable annuity products. For additional information regarding our external reinsurance agreements, see Note 15 to the Consolidated Financial Statements.

i. Product Design Features:

A portion of the variable annuity contracts that we offered include an automatic rebalancing feature, also referred to as an asset transfer feature. This feature is implemented at the contract level, and transfers assets between certain variable investment sub-accounts selected by the annuity contractholder and, depending on the benefit feature, a fixed-rate account in the general account or a bond fund sub-account within the separate accounts. The objective of the automatic rebalancing feature is to reduce our exposure to equity market risk and market volatility. Other product design features we utilize include, among others, asset allocation restrictions, minimum issuance age requirements and certain limitations on the amount of purchase payments,

as well as a required minimum allocation to our general account for certain of our products. In addition, there is diversity in our fee arrangements, as certain fees are primarily based on the benefit guarantee amount, the contractholder account value and/or premiums, which helps preserve certain revenue streams when market fluctuations cause account values to decline.

ii. Asset Liability Management ("ALM") Strategy (including fixed income instruments and derivatives):

We employ an ALM strategy that utilizes a combination of both traditional fixed income instruments and derivatives to meet expected liabilities associated with our annuity guarantees that under U.S. GAAP are considered MRBs. The MRB liability that we hedge consists of expected living and death benefit claims under various market conditions, which are managed using fixed income instruments, derivatives, or a combination thereof. For our Prudential Defined Income ("PDI") variable annuity, we utilize fixed income instruments to meet expected liabilities. For the portion of our ALM strategy executed with derivatives, we enter into a range of exchange-traded and over-the-counter ("OTC") equity, interest rate and credit derivatives, including, but not limited to: equity and treasury futures; total return, credit default and interest rate swaps; and options including equity options, swaptions, and floors and caps. The intent of this strategy is to more efficiently manage the capital and liquidity associated with these products while continuing to mitigate fluctuations in net income due to movements in capital markets. To achieve this, we periodically review and recalibrate the ALM strategy by optimizing the mix of derivatives and fixed income instruments to achieve expected outcomes.

Under our ALM strategy, we expect differences in the U.S. GAAP net income impact between the changes in value of the fixed income instruments (either designated as available-for-sale or designated as trading) and derivatives as compared to the changes in the MRB liability these assets support. These differences can be primarily attributed to two distinct areas:

- *Different accounting treatment between liabilities and assets supporting those liabilities*. Under U.S. GAAP, changes in the fair value of the derivative instruments and fixed income instruments designated as trading, and MRBs, excluding the changes in the Company's NPR spreads, are immediately reflected in net income, while changes in the fair value of fixed income instruments that are designated as available-for-sale are recorded as unrealized gains (losses) in other comprehensive income.

- *General hedge results.* For the derivative portion of the ALM strategy, the net hedging impact (the extent to which the changes in value of the hedging instruments offset the change in value of the portion of the MRBs we are hedging) may be impacted by a number of factors, including: cash flow timing differences between our hedging instruments and the corresponding portion of the MRBs we are hedging, basis differences attributable to actual underlying contractholder funds to be hedged versus hedgeable indices, rebalancing costs related to dynamic rebalancing of hedging instruments as markets move, certain elements of the MRBs that may not be hedged (including certain actuarial assumptions), and implied and realized market volatility on the hedge positions relative to the portion of the MRBs we seek to hedge.

Product Specific Risks and Risk Mitigants

For certain living benefit guarantees, claims will primarily represent the funding of contractholder lifetime withdrawals after the cumulative withdrawals have first exhausted the contractholder account value. Due to the age of the in-force block, limited claim payments have occurred to date, and they are not expected to increase significantly within the next five years, based upon current assumptions. The timing and amount of future claims will depend on actual returns on contractholder account value and actual contractholder behavior relative to our assumptions. The majority of our current living benefit guarantees provide for guaranteed lifetime contractholder withdrawal payments inclusive of a "highest daily" contract value guarantee. Our PDI variable annuity complements our variable annuity products with the highest daily benefit and provides for guaranteed lifetime contractholder withdrawal payments but restricts contractholder asset allocation to a single bond fund sub-account within the separate accounts.

The majority of our traditional variable annuity contracts with living benefit guarantees, and contracts with our highest daily living benefit features, include risk mitigants in the form of an automatic rebalancing feature and/or inclusion in our ALM strategy. We may also utilize external reinsurance as a form of additional risk mitigation. The risks associated with the guaranteed benefits of certain legacy products that were sold prior to our development of the automatic rebalancing feature are also managed through our ALM strategy. Certain legacy products with GMAB rider options include the automatic rebalancing feature but are not included in the ALM strategy. For additional information regarding our external reinsurance agreements, see Note 15 to the Consolidated Financial Statements.

For our GMDBs, we provide a benefit payable in the event of death. Our base GMDB is generally equal to a return of cumulative deposits adjusted for any partial withdrawals. Certain products include an optional enhanced GMDB based on the greater of a minimum return on the contract value or an enhanced value. We have retained the risk that the total amount of

death benefit payable may be greater than the contractholder account value; however, a substantial portion of the account values associated with GMDBs are subject to an automatic rebalancing feature because the contractholder also selected a living benefit guarantee which includes an automatic rebalancing feature. All of the variable annuity account values with living benefit guarantees also contain GMDBs. The living and death benefit features for these contracts cover the same insured life and, consequently, we have insured both the longevity and mortality risk on these contracts.

The following table sets forth the risk management profile of our living benefit guarantees and GMDB features as of the periods indicated:

	December 31,					
	2025		2024		2023	
	Account Value	% of Total	Account Value	% of Total	Account Value	% of Total
	($ in millions)					
Living benefit/GMDB features(1):						
Both ALM strategy and automatic rebalancing(2)(3)	$ 60,491	47 %	$ 64,856	52 %	$ 70,013	58 %
ALM strategy only(3)	1,650	1 %	1,782	1 %	1,933	2 %
Automatic rebalancing only	63	0 %	77	0 %	80	0 %
External reinsurance(4)	9,582	7 %	10,665	9 %	12,418	10 %
PDI	1,232	1 %	1,342	1 %	1,536	1 %
Other products	1,490	1 %	1,553	1 %	1,585	1 %
Total living benefit/GMDB features	74,508		80,275		87,565	
GMDB features and other(5)	55,870	43 %	45,338	36 %	33,873	28 %
Total variable annuity account value, gross	$ 130,378		$ 125,613		$ 121,438	

(1) All contracts with living benefit guarantees also contain GMDB features, which cover the same insured contract.
(2) Contracts with living benefits that are included in our ALM strategy and that have an automatic rebalancing feature.
(3) Excludes retained PDI which is presented separately within this table.
(4) Represents contracts subject to reinsurance transactions with external counterparties. Includes approximately $8 billion of account values in relation to the PDI reinsurance transaction, and certain Highest Daily Lifetime Income ("HDI") v.3.0 business for the period April 1, 2015 through December 31, 2016. The HDI contracts with living benefits also have an automatic rebalancing feature. See Note 15 to the Consolidated Financial Statements for additional information.
(5) Includes Prudential FlexGuard, FlexGuard Income and other variable contracts that have a GMDB feature and do not have an automatic rebalancing feature.

Results Excluded from Adjusted Operating Income

The following table provides the net impact to the Consolidated Statements of Operations from the portion of Retirement Strategies' results excluded from adjusted operating income:

	Year Ended December 31,		
	2025	2024	2023
		(in millions)(1)	
Results excluded from adjusted operating income:			
Change in MRBs, excluding changes in the NPR adjustment(2)	$ 1,163	$ 2,735	$ 2,499
Change in the value of the non-MRB liabilities, excluding changes in the NPR adjustment(3)	(253)	1,087	(118)
Change in the NPR adjustment, excluding changes recognized in OCI	(30)	(128)	(18)
Change in the fair value of hedge assets(4)(5)	(1,645)	(3,165)	(2,812)
Other(6)	(161)	(339)	(244)
Total Individual Retirement Strategies results excluded from adjusted operating income	(926)	190	(693)
Total Institutional Retirement Strategies results excluded from adjusted operating income	(473)	(1,197)	(930)
Total results excluded from adjusted operating income	$ (1,399)	$ (1,007)	$ (1,623)

(1) Positive amounts represent income; negative amounts represent a loss.
(2) Also excludes related hedging gains (losses), which are included within this table in "Change in the fair value of hedge assets."
(3) Represents the change in the liability for our fixed and variable indexed annuities, including the fair value of embedded derivative instruments associated with those products, which is measured utilizing a valuation methodology required under U.S. GAAP. The total GAAP liability includes the fair value of all index credits for the current term and all future projected renewals of the policy; however, only changes in the liability associated with the current term elected by the policyholder are included in adjusted operating income, while changes in the liability associated with all future projected renewals of the policy are excluded from adjusted operating income.
(4) Represents the change in fair value of the derivatives utilized to hedge potential claims associated with our variable annuity living and death benefit guarantees.
(5) Results for the year ended 2023 include changes in the fair value of equity derivatives related to the capital hedge program of $(225) million that were intended to protect a portion of the overall capital position of the variable annuities business against its exposure to the equity markets. The capital hedge program was discontinued in the first quarter of 2023.
(6) Includes the changes in duration swaps, DAC amortization, trading gains or losses, and other activity.

For 2025, the loss of $1,399 million primarily reflects:

- the net impact of interest rate changes on MRBs and other liabilities, net of hedging;
- an unfavorable impact from our annual reviews and update of assumptions and other refinements; and
- losses on foreign currency hedges.

These variances were partially offset by:

- the impact of favorable equity market performance.

Group Insurance

Operating Results

The following table sets forth Group Insurance's operating results and benefits and administrative expense ratios for the periods indicated:

	Year Ended December 31,		
	2025	2024	2023
		($ in millions)	
Operating results:			
Revenues	$ 6,774	$ 6,427	$ 6,285
Benefits and expenses	6,393	6,113	5,966
Adjusted operating income	381	314	319
Realized investment gains (losses), net, and related charges and adjustments	(54)	(51)	(46)
Income (loss) before income taxes and equity in earnings of joint ventures and other operating entities	$ 327	$ 263	$ 273
Benefits ratios(1)(2)(3):			
Group life	83.8 %	86.9 %	87.0 %
Group disability	76.4 %	71.8 %	70.2 %
Total Group Insurance	81.7 %	82.7 %	82.5 %
Administrative expense ratios(2)(4)(5):			
Group life	11.1 %	11.3 %	11.3 %
Group disability	24.9 %	25.0 %	23.4 %
Total Group Insurance	14.9 %	15.0 %	14.4 %

(1) Ratio of policyholder benefits to earned premiums plus policy charges and fee income.
(2) The benefits and administrative expense ratios are measures used to evaluate profitability and efficiency.
(3) Benefits ratios reflect the impacts of our annual reviews and update of assumptions and other refinements. Excluding these impacts, the group life, group disability and total Group Insurance benefits ratios were 84.0%, 76.5% and 81.9% for 2025, respectively, 86.9%, 73.3% and 83.1% for 2024, respectively, and 87.6%, 71.1% and 83.2% for 2023, respectively.
(4) Ratio of operating and variable expenses (excluding commissions) to net premiums plus policy charges and fee income, excluding third-party administrator pass-through fees and expenses.
(5) Prior period ratios have been updated to conform to current period presentation.

2025 to 2024 Annual Comparison

Adjusted operating income increased $67 million, including a less favorable comparative net impact from our annual reviews and update of assumptions and other refinements. Results for 2025 and 2024 included net benefits from this update of $11 million and $25 million, respectively.

Excluding this item, adjusted operating income increased $81 million, primarily reflecting:

- higher underwriting results in our group life business, driven by more favorable mortality experience on non-experience-rated contracts and a positive impact from a reserve refinement for certain experience-rated contracts.

This variance was partially offset by:

- higher variable and operating expenses, largely supporting business growth; and
- lower underwriting results in our group disability business, driven by less favorable claims experience on long-term disability contracts.

Revenues increased $347 million primarily reflecting:

- higher premiums and policy charges and fee income, driven by business growth in both our group life and group disability businesses; and
- lower premium and policy returns, driven by less favorable mortality on experience-rated contracts.

Benefits and expenses increased $280 million. Excluding the impact of our annual reviews and update of assumptions and other refinements, as discussed above, benefits and expenses increased $266 million primarily reflecting:

- higher policyholders' benefits and changes in reserves, driven by business growth and less favorable claims experience on long-term disability contracts; and
- higher general and administrative expenses, driven by business growth.

These variances were partially offset by:

- more favorable mortality experience on non-experience-rated contracts in our group life business.

Sales Results

The following table sets forth Group Insurance's annualized new business premiums, as defined under "—Segment Measures" above, for the periods indicated:

	Year Ended December 31,		
	2025	2024	2023
		(in millions)	
Annualized new business premiums(1):			
Group life	$ 325	$ 289	$ 296
Group disability	286	261	235
Total	$ 611	$ 550	$ 531

(1) Amounts exclude new premiums resulting from rate changes on existing policies, from additional coverage under our Servicemembers' Group Life Insurance contract and from excess premiums on group universal life insurance that build cash value but do not purchase face amounts.

2025 to 2024 Annual Comparison

Total annualized new business premiums increased $61 million, primarily reflecting:

- higher sales in the Premier market segment in both our group disability and group life businesses.

This variance was partially offset by

- lower sales in the Association market segment in both our group life and group disability businesses.

Individual Life

Business Update

- In August 2024, the Company entered into an agreement with Wilton Reassurance Company and Wilton Reinsurance Bermuda Limited (collectively, "Wilton Re") to reinsure certain guaranteed universal life policies issued by Pruco Life Insurance Company ("Pruco Life") and Pruco Life Insurance Company of New Jersey ("PLNJ"). These policies represented approximately 40% of the Company's remaining statutory reserves on its in-force guaranteed universal life block of business, following the close of the reinsurance transaction with Somerset Reinsurance Ltd. ("Somerset Re") in the first quarter of 2024. The transaction was completed in December 2024 with an effective date of October 1, 2024. These two external reinsurance agreements reduced, in aggregate, the Company's previously established statutory reserves on its in-force guaranteed universal life block of business by approximately 60%. See Note 15 to the Consolidated Financial Statements for additional information regarding these transactions.

Operating Results

The following table sets forth Individual Life's operating results for the periods indicated:

	Year Ended December 31,		
	2025	2024	2023
		(in millions)	
Operating results:			
Revenues	$ 6,130	$ 6,195	$ 6,274
Benefits and expenses	5,870	6,400	6,369
Adjusted operating income	260	(205)	(95)
Realized investment gains (losses), net, and related charges and adjustments	(412)	(744)	(312)
Market experience updates	(18)	(143)	154
Equity in earnings of joint ventures and other operating entities and earnings attributable to noncontrolling interests	1	1	0
Income (loss) before income taxes and equity in earnings of joint ventures and other operating entities	$ (169)	$ (1,091)	$ (253)

2025 to 2024 Annual Comparison

Adjusted operating income increased $465 million, including a favorable comparative net impact from our annual reviews and update of assumptions and other refinements. Results for 2025 included a net benefit of $58 million driven by impacts related to assumptions for mortality, policyholder behavior and other reserve refinements, while 2024 included a net charge of $98 million driven by unfavorable impacts related to assumptions for policyholder behavior.

Excluding this item, adjusted operating income increased $309 million, primarily reflecting:

- higher underwriting results, driven by the ongoing favorable impact from the reinsurance transaction with Wilton Re and favorable mortality experience in the current year; and
- lower operating expenses, driven by the absence of costs associated with the reinsurance transactions discussed above as well as from the consolidation of our internal captive reinsurance arrangements in the prior year.

These variances were partially offset by:

- lower net investment spread results, driven by the absence of income from assets related to the reinsurance transaction with Wilton Re and lower income from non-coupon investments. These decreases were partially offset by lower financing costs resulting from both the reinsurance transactions discussed above as well as the consolidation of our internal captive reinsurance arrangements in the prior year, and lower losses from derivatives.

Revenues decreased $65 million. Excluding the impact of our annual reviews and update of assumptions and other refinements, as discussed above, revenues decreased $96 million, primarily reflecting:

- lower investment results, driven by the absence of income from assets related to the reinsurance transaction with Wilton Re and lower income from non-coupon investments, partially offset by lower losses from derivatives.

This variance was partially offset by:

- higher policy charges and fee income, due to business growth and favorable equity market performance.

Benefits and expenses decreased $530 million. Excluding the impact of our annual reviews and update of assumptions and other refinements, as discussed above, benefits and expenses decreased $405 million, primarily reflecting:

- lower policyholders' benefits, including changes in reserves, lower interest expense, and lower interest credited on policyholders' account balances, as a result of the reinsurance transaction with Wilton Re; and
- lower general and administrative expenses, primarily driven by lower operating expenses due to the absence of costs associated with the reinsurance transactions discussed above as well as from the consolidation of our internal captive reinsurance arrangements in the prior year.

Sales Results

The following table sets forth Individual Life's annualized new business premiums, as defined under "—Results of Operations—Segment Measures" above, by distribution channel and product, for the periods indicated:

	2025			2024			2023		
	Prudential Advisors	Third Party	Total	Prudential Advisors	Third Party	Total	Prudential Advisors	Third Party	Total
					(in millions)				
Variable Life	$ 159	$ 542	$ 701	$ 145	$ 542	$ 687	$ 120	$ 416	$ 536
Term Life	16	128	144	18	116	134	20	100	120
Universal Life	3	107	110	4	81	85	4	77	81
Total	$ 178	$ 777	$ 955	$ 167	$ 739	$ 906	$ 144	$ 593	$ 737

2025 to 2024 Annual Comparison

Total annualized new business premiums increased $49 million, primarily reflecting:

- higher third-party universal life and term life sales; and
- higher Prudential Advisors variable life sales.

International Businesses

Business Updates

- As previously disclosed, in January 2026, The Prudential Life Insurance Company, Ltd. ("Prudential of Japan"), a Japanese insurance subsidiary of the Company, reported the findings of its internal investigation into incidents of misconduct involving certain employees of Prudential of Japan. In response to these findings, Prudential of Japan is implementing a series of actions which include strengthening oversight of sales practices, governance and risk management, as well as leadership changes. Moreover, in February 2026, in consultation with the Japanese regulator, the Company voluntarily suspended new sales activity at Prudential of Japan for a 90-day period commencing February 9, 2026. See Note 25 to the Consolidated Financial Statements "—Litigation and Regulatory Matters—Regulatory" for additional information. This matter did not have a material impact on our 2025 operating results; however, we estimate that it will result in a reduction of Prudential of Japan's pre-tax adjusted operating income for 2026 in the range of $300 to $350 million, reflecting decreased sales, increased surrenders, and higher costs. Should the suspension of new sales activities extend beyond the initial 90-day period, the adverse effects are expected to be greater. It is also possible that reputational and other harm resulting from this matter will negatively impact our other businesses in Japan.

- In January 2026, an agreement was entered into to sell the Company's 24% equity interest (through a private equity limited partnership managed by LeapFrog Investments) in ICEA Lion Insurance Holdings, Ltd., a Kenya-based insurer and asset manager. The closing of this transaction is subject to regulatory approvals and customary closing conditions.

- Effective in the first quarter of 2025, consistent with changes to the Company's internal management structure, our International Businesses are reflected as a single operating and reportable segment, which is how the CODM now assesses its performance and allocates resources. Prior to the first quarter of 2025, our International Businesses consisted of the Life Planner and Gibraltar Life and Other operating segments, each of which was a reportable segment under U.S. GAAP. The change has been applied retrospectively and did not have any impact on the Company's Consolidated Financial Statements contained herein or to any previously issued financial statements.

- In December 2024, the Company entered into an agreement with Prismic Life Reinsurance International, Ltd. ("Prismic Re International"), a wholly-owned subsidiary of Prismic, to reinsure approximately $7 billion of reserves for certain USD-denominated Japanese whole life policies originated by the Company's Japanese affiliates. The transaction was completed in March 2025 with an effective date of March 1, 2025. See Note 15 to the Consolidated Financial Statements for additional information.

- In March 2024, the Company entered into a definitive agreement with Grupo ST S.A. to sell Prudential of Argentina ("POA"). Effective in the first quarter of 2024, the results of POA and the impact of its sale were reflected in the Divested and Run-off Businesses that are included within our Corporate and Other operations. The transaction, which did not have a material impact on the Company's results, was completed in May 2024.

Operating Results

The results of our International Businesses' operations are translated on the basis of weighted average monthly exchange rates, inclusive of the effects of the intercompany arrangement discussed in "—External and Economic Factors—Impact of Foreign Currency Exchange Rates" above. To provide a better understanding of operating performance within the International Businesses, where indicated below, we have analyzed our results of operations excluding the effect of the year-over-year change in foreign currency exchange rates. Our results of operations, excluding the effect of foreign currency fluctuations, were derived by translating foreign currencies to USD at uniform exchange rates for all periods presented, including for constant dollar information discussed below. For our Japan operations, we used an exchange rate of 143 yen per USD. In addition, for constant dollar information discussed below, activity denominated in USD is generally reported based on the amounts as transacted in USD. Annualized new business premiums presented on a constant exchange rate basis in the "Sales Results" section below reflect translation based on these same uniform exchange rates.

The following table sets forth the International Businesses' operating results for the periods indicated:

	Year Ended December 31,		
	2025	2024	2023
		(in millions)	
Operating results:			
Revenues	$ 18,148	$ 17,925	$ 18,682
Benefits and expenses	14,901	14,819	15,499
Adjusted operating income	3,247	3,106	3,183
Realized investment gains (losses), net, and related charges and adjustments	123	(911)	93
Change in value of market risk benefits, net of related hedging gains (losses)	18	17	14
Market experience updates	98	89	(46)
Equity in earnings of joint ventures and other operating entities and earnings attributable to noncontrolling interests	(157)	(116)	(76)
Income (loss) before income taxes and equity in earnings of joint ventures and other operating entities	$ 3,329	$ 2,185	$ 3,168

2025 to 2024 Annual Comparison

Adjusted operating income increased $141 million, including an unfavorable comparative net impact of $14 million from currency fluctuations. Both periods also include the impact of our annual reviews and update of assumptions and other refinements, which resulted in a net charge of $2 million in 2025, compared to a net charge of $55 million in 2024.

Excluding these items, adjusted operating income increased $102 million, primarily reflecting:

- higher net investment spread results, primarily driven by higher income from non-coupon investments, lower losses from derivatives, and portfolio growth in Japan and Brazil;
- higher underwriting results, driven by business growth in Brazil and growth in retirement and savings products in Japan; and
- higher earnings from joint ventures and other operating entities.

These variances were partially offset by:

- higher operating and variable expenses, primarily driven by business growth; and
- the net impact from ceded reinsurance to Prismic Re International.

Revenues increased $223 million, including an unfavorable comparative net impact of $207 million from our annual reviews and update of assumptions and other refinements. Excluding this item, revenues increased $430 million, primarily reflecting:

- higher net investment income, driven by growth in retirement and savings products in Japan and higher reinvestment rates;
- higher income from non-coupon investments;
- lower losses from derivatives;
- higher policy charges and fee income, driven by growth in retirement and savings products in Japan; and
- higher earnings from joint ventures and other operating entities.

These variances were partially offset by:

- lower premiums attributable to the decline of traditional life insurance business in force in Japan, partially offset by the impact of lower ceded reinsurance in the current period and business growth in Brazil; and
- the net impact from ceded reinsurance to Prismic Re International.

Benefits and expenses increased $82 million, including an unfavorable comparative net impact of $14 million from currency fluctuations and a favorable comparative net impact of $260 million from our annual reviews and update of assumptions and other refinements. Excluding these items, benefits and expenses increased $328 million, primarily reflecting:

- higher interest credited to policyholders' account balances, reflecting growth in retirement and savings products in Japan; and
- higher general and administrative expenses, including both operating and variable expenses, primarily driven by business growth.

These variances were partially offset by:

- favorable changes in estimates of the liability for future policy benefits; and
- lower policyholders' benefits, including changes in reserves, due to the decline of traditional life insurance business in force in Japan, partially offset by the impact of lower ceded reinsurance in the current year.

Sales Results

The following table sets forth annualized new business premiums, as defined under "—Results of Operations—Segment Measures" above, on an actual and constant exchange rate basis for the periods indicated:

	Year Ended December 31,		
	2025	2024	2023
		(in millions)	
Annualized new business premiums:			
On an actual exchange rate basis:	$ 2,194	$ 2,122	$ 2,087
On a constant exchange rate basis:	$ 2,205	$ 2,124	$ 2,006

The amount of annualized new business premiums and the sales mix in terms of types and currency denomination of products for any given period can be significantly impacted by several factors, including but not limited to: the addition of new products, discontinuation of existing products, changes in credited interest rates for certain products and other product modifications, changes in premium rates, changes in interest rates or fluctuations in currency markets, changes in tax laws, changes in life insurance regulations or changes in the competitive environment. Sales volume may increase or decrease prior to certain of these changes becoming effective and then fluctuate in the other direction following such changes.

Our diverse product portfolio in Japan, in terms of currency mix and premium payment structure, allows us to adapt to changing market and competitive dynamics, including from a low interest rate environment. We regularly examine our product offerings and their related profitability and reprice or discontinue sales of certain products that do not meet our profit expectations. The impact of these actions, coupled with the introduction of certain new products, has generally resulted in higher sales of products denominated in USD relative to products denominated in other currencies; however, more recently we have experienced an increase in sales of our yen-denominated product offerings as a result of growing demand for these products. See "—Business Outlook" and "—External and Economic Factors—Industry Trends" above for additional information regarding product considerations specific to our Japanese operations.

The table below presents annualized new business premiums on a constant exchange rate basis, by product category and distribution channel, for the periods indicated:

	Year Ended December 31, 2025					Year Ended December 31, 2024				
	Life	Accident & Health	Retirement (1)	Investment Contracts (2)	Total	Life	Accident & Health	Retirement (1)	Investment Contracts (2)	Total
					(in millions)					
Life Planner	$ 384	$ 83	$ 258	$ 210	$ 935	$ 351	$ 69	$ 267	$ 163	$ 850
Life Consultants	91	17	88	338	534	101	17	66	302	486
Banks	107	10	1	276	394	143	12	1	292	448
Independent Agency and Other	118	21	87	116	342	86	15	94	145	340
Total	$ 700	$ 131	$ 434	$ 940	$ 2,205	$ 681	$ 113	$ 428	$ 902	$ 2,124

(1) Includes retirement income, endowment and savings variable life.
(2) Includes single-payment market value adjusted investment contracts, single-payment whole life products and recurring-payment annuity products.

2025 to 2024 Annual Comparison

Annualized new business premiums, on a constant exchange rate basis, increased $81 million, primarily reflecting:

- Life Planner sales increased $85 million, primarily driven by higher investment contract and life product sales in Japan, and higher life and accident and health product sales in Brazil;
- Life Consultant sales increased $48 million, driven by higher investment contract and retirement product sales, partially offset by lower life product sales;
- Independent Agency and Other sales increased $2 million, primarily driven by higher life product sales, mostly offset by lower investment contract sales; and
- Bank channel sales decreased $54 million, driven by lower life and investment contract product sales.

Sales Force

The following table sets forth the number of Life Planners and Life Consultants for the periods indicated:

	Year Ended December 31,		
	2025	2024	2023
Life Planners:			
Japan	4,283	4,309	4,310
All other countries	1,952	1,726	1,546
Life Consultants	6,983	6,844	6,808
Total	13,218	12,879	12,664

2025 to 2024 Annual Comparison

- The number of Life Planners increased by 200, primarily driven by an increase in Brazil reflecting business growth.
- The number of Life Consultants increased by 139, reflecting favorable recruitment and lower resignations.

Corporate and Other

Operating Results

Corporate and Other includes corporate operations, after allocations to our business segments, and Divested and Run-off Businesses other than those that qualify for "discontinued operations" accounting treatment under U.S. GAAP. The following table sets forth Corporate and Other's operating results for the periods indicated:

	Year Ended December 31,		
	2025	2024	2023
		(in millions)	
Operating results:			
Investment income	$ 268	$ 202	$ 161
Interest expense on debt	(919)	(849)	(829)
Pension and employee benefits	383	366	345
Other corporate activities	(1,306)	(1,502)	(1,711)
Adjusted operating income	(1,574)	(1,783)	(2,034)
Realized investment gains (losses), net, and related charges and adjustments	(382)	150	(580)
Market experience updates	4	2	2
Divested and Run-off Businesses	107	30	21
Equity in earnings of joint ventures and other operating entities and earnings attributable to noncontrolling interests	26	(34)	(8)
Income (loss) before income taxes and equity in earnings of joint ventures and other operating entities	$ (1,819)	$ (1,635)	$ (2,599)

2025 to 2024 Annual Comparison

The loss from Corporate and Other operations, on an adjusted operating income basis, decreased $209 million primarily reflecting:

- lower net charges from other corporate activities, primarily driven by lower net costs related to corporate initiatives and long-term compensation plans, and lower expenses driven by an update of internal expense allocations, partially offset by organizational charges in the current year;
- higher investment income results, primarily driven by higher income from non-coupon investments; and
- favorable pension and employee benefits results, primarily driven by higher earnings from our pension and post-retirement plans from higher expected returns on plan assets and lower service costs.

These variances were partially offset by:

- higher interest expense on debt, largely driven by the absence of income offsets from the termination of an affiliated financing agreement resulting from the reinsurance transactions in Individual Life in 2024.

For purposes of calculating pension income from our pension plans for the year ended December 31, 2026, we decreased the discount rate from 5.85% to 5.55% as of December 31, 2025. The expected rate of return on plan assets decreased from 8.00% in 2025 to 7.75% in 2026. The assumed rate of increase in compensation will remain unchanged at 6.25% in 2026. Giving effect to the foregoing changes and other factors, we expect income from our pension plans in 2026 to be approximately $50 million to $55 million lower than 2025 levels. This decrease is primarily driven by the lower expected rate of return on plan assets and the lower discount rate.

For purposes of calculating postretirement income for the year ended December 31, 2026, we decreased the discount rate from 5.70% to 5.25% as of December 31, 2025. The expected rate of return on plan assets decreased from 6.50% in 2025 to 6.25% in 2026. Giving effect to the foregoing changes and other factors, we expect postretirement income in 2026 to be approximately $5 million to $10 million higher than 2025 levels. This increase is primarily driven by favorable equity returns on plan assets in the current year.

In 2026, pension and other postretirement benefit service costs related to active employees will continue to be allocated to our business segments. For further information regarding our pension and postretirement plans, see Note 19 to the Consolidated Financial Statements.

Divested and Run-off Businesses

Divested and Run-off Businesses Included in Corporate and Other

Income from our Divested and Run-off Businesses includes results from several businesses that have been or will be sold or exited, including businesses that have been placed in wind down status that do not qualify for "discontinued operations" accounting treatment under U.S. GAAP. The results of these Divested and Run-off Businesses are reflected in our Corporate and Other operations but are excluded from adjusted operating income. A summary of the results of the Divested and Run-off Businesses reflected in our Corporate and Other operations is as follows for the periods indicated:

	Year Ended December 31,		
	2025	2024	2023
		(in millions)	
Long-Term Care	$ 198	$ 413	$ 217
Other(1)	(91)	(383)	(196)
Total Divested and Run-off Businesses income (loss) before income taxes and equity in earnings of joint ventures and other operating entities	$ 107	$ 30	$ 21

(1) Effective second quarter of 2024, the results of PGIMW are excluded from PGIM's adjusted operating results and are included herein.

2025 to 2024 Annual Comparison

Long-Term Care. Results decreased $215 million, including an unfavorable comparative net impact from our annual reviews and update of assumptions and other refinements. Results for 2025 included a $7 million net charge, while results for 2024 included a $111 million net benefit from these updates.

Excluding this item, results decreased $97 million, primarily reflecting:

- less favorable impacts from changes in the market value of equity securities; and
- lower underwriting results driven by the absence of favorable changes in estimates of the liability for future policy benefits resulting from premium rate increases in the prior year.

These variances were partially offset by:

- higher income from non-coupon investments; and
- lower net realized investment losses from derivatives and sales of fixed income securities.

Other Divested and Run-off Businesses. Results increased $292 million, primarily reflecting:

- the absence of impairments and charges related to management's decisions to exit Assurance IQ ("AIQ") and PGIM Wadhwani LLP (and their subsequent classifications as divested businesses in the first and second quarters of 2024, respectively); and
- favorable results related to the Full Service Retirement business.

Closed Block Division

The Closed Block division includes certain in-force traditional domestic participating life insurance and annuity products and assets that are used for the payment of benefits and policyholder dividends on these policies (collectively, the "Closed Block"), as well as certain related assets and liabilities. We no longer offer these traditional domestic participating policies. See Note 16 to the Consolidated Financial Statements for additional information.

Each year, the Board of Directors of The Prudential Insurance Company of America ("PICA") determines the dividends payable on participating policies for the following year based on the experience of the Closed Block, including investment income, net realized and unrealized investment gains (losses), mortality experience and other factors. Although the Closed Block experience for dividend action decisions is based upon statutory results, at the time the Closed Block was established, we developed, as required by U.S. GAAP, an actuarial calculation of the timing of the maximum future earnings from the policies included in the Closed Block. Actual cumulative earnings, as required by U.S. GAAP, reflect the recognition of realized investment gains and losses in the current period, as well as changes in assets and related liabilities that support the Closed Block policies. If actual cumulative earnings in any given period are greater than the cumulative earnings we expected, we record this excess as a policyholder dividend obligation. Additionally, any accumulated net unrealized investment gains that have arisen subsequent to the establishment of the Closed Block are reflected as a policyholder dividend obligation, with a corresponding amount reported in AOCI, while any accumulated net unrealized investment losses are reflected as a reduction of the policyholder dividend obligation, to the extent the overall policyholder dividend obligation is otherwise positive.

We will subsequently pay this excess to Closed Block policyholders as an additional dividend unless it is otherwise offset by future Closed Block performance that is less favorable than we originally expected. The policyholder dividends we charge to expense within the Closed Block division will include any change in our policyholder dividend obligation that we recognize for the excess of actual cumulative earnings in any given period over the cumulative earnings we expected in addition to the actual policyholder dividends declared by the Board of Directors of PICA. If actual cumulative earnings fall below expected cumulative earnings in future periods, earnings volatility in the Closed Block division, which is primarily due to changes in investment results, may not be offset by changes in the cumulative earnings policyholder dividend obligation. For a discussion of the Closed Block division's realized investment gains (losses), net, see "—General Account Investments."

As of December 31, 2025, the excess of actual cumulative earnings over the expected cumulative earnings was $1,635 million, which was recorded as a policyholder dividend obligation. Actual cumulative earnings, as required by U.S. GAAP, reflect the recognition of realized investment gains and losses in the current period, as well as changes in assets and related liabilities that support the Closed Block policies. As of December 31, 2025, net unrealized investment losses have arisen subsequent to the establishment of the Closed Block due to the impacts of higher interest rates on the market value of fixed maturities available-for-sale. The impact of these net unrealized investment losses has been reflected as a decrease to the policyholder dividend obligation of $1,064 million at December 31, 2025, with a corresponding amount reported in AOCI.

Operating Results

The following table sets forth the Closed Block division's results for the periods indicated:

	Year Ended December 31,		
	2025	2024	2023
		(in millions)	
U.S. GAAP results:			
Revenues	$ 3,751	$ 3,287	$ 3,666
Benefits and expenses	3,819	3,400	3,766
Income (loss) before income taxes and equity in earnings of joint ventures and other operating entities	$ (68)	$ (113)	$ (100)

2025 to 2024 Annual Comparison

Income (loss) before income taxes and equity in earnings of joint ventures and other operating entities increased by $45 million, primarily reflecting:

- higher net investment activity results, primarily driven by lower realized investment losses from the sale of fixed income securities, partially offset by unfavorable changes in the market value of derivatives.

As a result of this and other factors, a $461 million reduction in the policyholder dividend obligation was recorded in 2025, compared to a $777 million reduction in 2024.

Revenues increased $464 million, primarily reflecting:

- lower realized investment losses, as discussed above.

Benefits and expenses increased $419 million, primarily reflecting:

- higher dividends to policyholders, reflecting a lower reduction in the policyholder dividend obligation due to changes in cumulative earnings and other factors.

Accounting Policies & Pronouncements

Application of Critical Accounting Estimates

The preparation of financial statements in conformity with U.S. GAAP requires the application of accounting policies that often involve a significant degree of judgment. Management, on an ongoing basis, reviews the estimates and assumptions used in the preparation of the Company's financial statements. If management determines that modifications to assumptions and estimates are appropriate given current facts and circumstances, the Company's results of operations and financial position as reported in the Consolidated Financial Statements could change significantly.

The following sections discuss the accounting policies applied in preparing our financial statements that management believes are most dependent on the application of estimates and assumptions and require management's most difficult, subjective, or complex judgments.

Insurance Liabilities

Future Policy Benefits

Future Policy Benefit Reserves, including Unpaid Claims and Claim Adjustment Expenses

We establish reserves for future policy benefits to, or on behalf of, policyholders using methodologies prescribed by U.S. GAAP. See Note 2 to the Consolidated Financial Statements for additional information regarding the reserving methodologies used.

The assumptions used in establishing reserves are generally based on the Company's experience, industry experience, and/or other factors, as applicable. We update our actuarial assumptions, such as mortality, morbidity, retirement and policyholder behavior assumptions, annually unless a material change in our own experience or in industry experience made available to us is observed in an interim period that we feel is indicative of a long-term trend. Generally, we do not expect trends to change significantly in the short-term and, to the extent these trends may change, we expect such changes to be gradual over the long term.

We perform an annual comprehensive review of the assumptions used for estimating future premiums, benefits, and other cash flows, including reviews related to mortality, morbidity, lapse, surrender, and other contractholder behavior assumptions, and economic assumptions, including expected future rates of returns on investments. The Company generally looks to relevant Company experience as the primary basis for these assumptions. If relevant Company experience is not available or does not have sufficient credibility, the Company may look to experience of similar blocks of business, either elsewhere within the Company or within the industry. As part of this review, we may update these assumptions and make refinements to our models based upon emerging experience, future expectations and other data, including any observable market data we feel is indicative of a long-term trend. The impact on our results from operations of changes in these assumptions can be offsetting and we are unable to predict their movement or impact over time.

Mortality rate assumptions are generally based on Company experience, sometimes blending Company experience with an industry table when Company experience alone is not sufficiently credible. The Company sets mortality and morbidity assumptions that vary by major type of business. Within types of business, rates vary by age and gender. The Company applies an adjustment for future mortality improvement, consistent with observed long-term trends of population mortality over time. Lapse and surrender assumptions are based on Company and industry experience, where available. The Company sets rates that vary by product type, taking into account features specific to the product.

The quarterly adjustments for market performance referred to above reflect the impact of changes to our estimate of future rates of returns on investments to reflect actual fund performance and market conditions. A portion of returns on investments for our variable life contracts are dependent upon the total rate of return on assets held in separate account investment options. This rate of return influences the fees we earn and expected claims to be paid on variable life contracts, as well as other sources of profit. Returns that are higher than our expectations for a given period produce higher than expected account balances, which increase the future fees we expect to earn on variable life contracts and decrease expected claims to be paid on variable life contracts. The opposite occurs when returns are lower than our expectations.

The weighted average rate of return assumptions used in developing estimated market returns consider many factors specific to each product type, including asset durations, asset allocations, and other factors. With regard to equity market assumptions, the near-term future rate of return assumption used in evaluating liabilities for future policy benefits for certain of our products, primarily our domestic and international variable life insurance products, is generally updated each quarter and is derived using a reversion to the mean approach, a common industry practice. Under this approach, we consider historical equity returns and adjust projected equity returns over an initial future period of five years (the "near-term") so that equity returns converge to the long-term expected rate of return. If the near-term projected future rate of return is greater than our near-term maximum future rate of return of 15.0%, we use our maximum future rate of return. If the near-term projected future rate of return is lower than our near-term minimum future rate of return of 0%, we use our minimum future rate of return. As of December 31, 2025, our domestic variable life insurance businesses assume an 8.0% long-term equity expected rate of return and a 2.3% near-term mean reversion equity expected rate of return, and our international variable life insurance business assumes a 5.5% long-term equity expected rate of return and a 0% near-term mean reversion equity expected rate of return.

With regard to interest rate assumptions used in evaluating liabilities for future policy benefits for certain of our products, we update the long-term and near-term future rates used to project fixed income returns annually and quarterly, respectively. As a result of our 2025 annual reviews and update of assumptions and other refinements, we kept our long-term expectation of the 10-year U.S. Treasury rate unchanged and continue to grade to a rate of 3.5% over ten years, and increased our long-term expectation of the 10-year Japanese Government Bond yield by 25 basis points and now grade to a rate of 1.5% over ten years. As part of our quarterly market experience updates, we update our near-term projections of interest rates to reflect changes in current rates. For additional information regarding discount rates used to establish the liability for future policy benefits, see Note 2 to the Consolidated Financial Statements.

The following paragraphs provide additional details about the material reserves we have established:

International Businesses. The reserves for future policy benefits of our International Businesses, which as of December 31, 2025, represented 36% of our total future policy benefit reserves, primarily relate to non-participating whole life and term life products and endowment contracts, and are generally calculated using the net premium valuation methodology. The

primary assumptions used in determining expected future benefits and expenses include mortality, lapse, morbidity, and interest rate assumptions. Reserves also include claims reported but not yet paid, and claims incurred but not yet reported. In addition, future policy benefit reserves for certain contracts also include amounts related to our deferred profit liability.

Institutional Retirement Strategies. The reserves for future policy benefits of our Institutional Retirement Strategies segment, which as of December 31, 2025, represented 32% of our total future policy benefit reserves, primarily relate to our non-participating life contingent group annuity and structured settlement products and are generally calculated using the net premium valuation methodology. The primary assumptions used in establishing these reserves include mortality, retirement, and interest rate assumptions. In addition, future policy benefit reserves for certain contracts also include amounts related to our deferred profit liability.

Individual Life. The reserves for future policy benefits of our Individual Life segment, which as of December 31, 2025, represented 11% of our total future policy benefit reserves, primarily relate to term life and universal life products. For term life contracts, the future policy benefit reserves are generally calculated using the net premium valuation methodology. The primary assumptions used in determining expected future benefits and expenses include mortality, lapse, and interest rate assumptions. For universal life products, which include universal life contracts that contain no-lapse guarantees, reserves for future policy benefits are established using current best estimate assumptions and are based on the benefit ratio. The primary assumptions used in establishing these reserves generally include mortality, lapse, and premium pattern, as well as interest rate and equity market return assumptions. Reserves also include claims reported but not yet paid, and claims incurred but not yet reported.

Closed Block Division. The future policy benefit reserves for the traditional participating life insurance products of the Closed Block division, which as of December 31, 2025, represented 16% of our total future policy benefit reserves are determined using the net premium valuation methodology. In applying this method, we use mortality assumptions to determine our expected future benefits and expected future premiums, and apply an interest rate to determine the present value of both of these amounts. The mortality assumptions are based on standard industry mortality tables that were used to determine the cash surrender value of the policies, and the interest rates used are the interest rates used to calculate the cash surrender value of the policies.

Other. Reserves for future policy benefits in our Individual Retirement Strategies segment, Group Insurance segment, and our Corporate and Other operations, represent a small portion of total reserves and are established using methodologies and assumptions specific to each business: Individual Retirement Strategies reserves, less than 1% of total reserves, primarily cover life-contingent payout annuities; Group Insurance reserves, approximately 2% of total reserves, relate to group life and disability benefits; and Corporate and Other reserves, about 3% of total reserves, primarily support long-term care products.

Policyholders' Account Balances

Policyholders' account balances liability represents the contract value that has accrued to the benefit of the policyholder as of the balance sheet date. This liability includes amounts representing the fair value of embedded derivative instruments associated with the index-linked features of certain universal life and annuity products. For additional information regarding the valuation of these embedded derivatives, see Note 6 to the Consolidated Financial Statements.

Market Risk Benefits ("MRBs")

Market risk benefit liabilities (or assets) represent contracts or contract features that provide protection to the contractholder and expose the Company to other than nominal capital market risk. The liability (or asset) for MRBs is estimated using a fair value measurement methodology. The fair value of these MRBs is based on assumptions a market participant would use in valuing market risk benefits. The Company estimates that a hypothetical change to its own credit risk of plus 50 and minus 50 basis points ("bps") would result in an increase and a decrease to OCI of $535 million and $575 million, respectively. For additional information regarding the valuation of MRBs, see Note 6 to the Consolidated Financial Statements.

Sensitivities for Insurance Assets and Liabilities

The following table summarizes the aggregate impact that could result on each of the listed financial statement balances from changes in certain key assumptions. The figures below are presented in aggregate for the Company. The information below is for illustrative purposes and includes only the hypothetical impact on December 31, 2025 balances of changes in a single assumption and not changes in any combination of assumptions. Additionally, the illustration of the insurance assumption impacts below reflects a parallel shift in the insurance assumptions across the Company; however, these may be non-parallel in practice and only applicable to specific businesses. Changes in current assumptions could result in impacts to financial statement balances that are in excess of the amounts illustrated. A description of the estimates and assumptions used in

the preparation of each of these financial statement balances is provided above. Changes to the insurance cash flow assumptions are reflected in net income through the retrospective unlocking method for traditional long duration, limited-payment and universal life type products.

The impacts presented within this table exclude the impacts of our asset liability management strategy, which seeks to offset the changes in the balances presented within this table and is primarily composed of investments and derivatives. See further below for a discussion of the estimates and assumptions involved with the application of U.S. GAAP accounting policies for these instruments and "Item 7A. Quantitative and Qualitative Disclosures about Market Risk" for hypothetical impacts on related balances as a result of changes in certain significant assumptions. The impacts presented within this table are also net of reinsurance. See Note 15 to the Consolidated Financial Statements for additional information regarding our material reinsurance agreements.

	Increase (Decrease) in Net Income due to changes in Future Policy Benefits, Market Risk Benefits(1), and Policyholders' Account Balances, Net of Reinsurance
	(in millions)
Hypothetical change in current assumptions:	
Long-term interest rate:	
Increase by 25 bps	$ 0
Decrease by 25 bps	$ 0
Long-term equity expected rate of return:	
Increase by 50 bps	$ 0
Decrease by 50 bps	$ (5)
Mortality:	
Increase by 1%	$ 85
Decrease by 1%	$ (85)
Lapse(2):	
Increase by 10%	$ 150
Decrease by 10%	$ (115)
Long-term care disability claim incidence:	
Increase by 5%	$ (100)
Decrease by 5%	$ 105

(1) "Market risk benefits" reflects the net impact of market risk benefit assets and liabilities prior to hedging.
(2) Assumes the same shock across all products; however, we would not expect lapse rates of different products to move uniformly.

Other Accounting Policies

Goodwill

We test goodwill for impairment on an annual basis as of December 31 and more frequently if events or circumstances indicate the potential for impairment is more likely than not. The goodwill impairment analysis is performed at the reporting unit level, which is the same as, or one level below, our operating segments. As of December 31, 2025, the goodwill is allocated to PGIM and International Businesses. Although the accounting guidance provides for an optional qualitative assessment for testing goodwill impairment, the Company performed the quantitative test for its reporting units and compared each reporting unit's estimated fair value to its carrying value as of December 31, 2025. The carrying value represents the capital that the business would require if operating as a standalone entity.

The fair value of PGIM as of December 31, 2025 was estimated by utilizing a market approach based on an earnings multiple. The average of forward earnings multiples of comparable publicly traded companies based on independent analysts' consensus estimates for each company's forecasted earnings was applied to PGIM's forecasted results, and an implied control premium was added. The fair value for International Businesses was also estimated using a similar approach. The estimated fair values of both PGIM and International Businesses exceeded their carrying values, resulting in no goodwill impairment as of December 31, 2025.

Estimating the fair value of reporting units is a subjective process that involves the use of significant estimates by management. Unanticipated changes in business performance or the regulatory environment, market declines and other events impacting the fair value of the reporting units with assigned goodwill, or increases in the level of equity required to support these businesses, could cause goodwill impairment charges in future periods. For additional information regarding goodwill, see Note 2 and Note 10 to the Consolidated Financial Statements.

Valuation of Investments, Including Derivatives, Measurement of Allowance for Credit Losses, and the Recognition of Other-than-Temporary Impairments

Our investment portfolio consists of public and private fixed maturity securities, commercial mortgage and other loans, equity securities, other invested assets, and derivative financial instruments. Management believes the following accounting policies related to investments, including derivatives, are most dependent on the application of estimates and assumptions. Each of these policies is discussed further within other relevant disclosures related to investments and derivatives, as referenced below:

- Valuation of investments, including derivatives;
- Measurement of the allowance for credit losses on fixed maturity securities classified as available-for-sale, commercial mortgage loans, and other loans; and
- Recognition of other-than-temporary impairments ("OTTI") for equity method investments and wholly-owned investment real estate.

We present at fair value in the statements of financial position our debt security investments classified as available-for-sale, investments classified as trading such as our assets supporting experience-rated contractholder liabilities and certain fixed maturities, equity securities, and certain investments within "Other invested assets," such as derivatives. For additional information regarding the key estimates and assumptions surrounding the determination of fair value of fixed maturity and equity securities, as well as derivative instruments, embedded derivatives and other investments, see Note 6 to the Consolidated Financial Statements and "—Valuation of Assets and Liabilities—Fair Value of Assets and Liabilities."

For our investments classified as available-for-sale, the impact of changes in fair value is recorded as an unrealized gain or loss in AOCI, a separate component of equity. For our investments classified as trading and equity securities, the impact of changes in fair value is recorded within "Other income (loss)." Our commercial mortgage and other loans are carried primarily at unpaid principal balances, net of unamortized deferred loan origination fees and expenses and unamortized premiums or discounts and a valuation allowance for losses.

In addition, an allowance for credit losses is measured each quarter for available-for-sale fixed maturity securities and for commercial mortgage and other loans. For additional information regarding our policies with respect to the measurement of credit losses, see Note 2 to the Consolidated Financial Statements.

For equity method investments and wholly-owned investment real estate, the carrying value of these investments is written down or impaired to fair value when a decline in value is considered to be other-than-temporary. See Note 2 to the Consolidated Financial Statements for additional information regarding our OTTI policies.

Pension and Other Postretirement Benefits

We sponsor pension and other postretirement benefit plans covering employees who meet specific eligibility requirements. Our net periodic costs for these plans consider an assumed discount (interest) rate, an expected rate of return on plan assets, expected increases in compensation levels, mortality, and trends in health care costs. Of these assumptions, our expected rate of return assumptions and our discount rate assumptions have historically had the most significant effect on our net period costs associated with these plans.

We determine our expected rate of return on plan assets based upon a building block approach that considers plan asset mix, risk free rates, inflation, real return, term premium, credit spreads, equity risk premium, and capital appreciation, as well as expenses, the effect of active management and the effect of rebalancing for the equity, debt, and real estate asset mix applied on a weighted average basis to our pension asset portfolio. See Note 19 to the Consolidated Financial Statements for our actual asset allocations by asset category and the asset allocation ranges prescribed by our investment policy guidelines for both our pension and other postretirement benefit plans. Our assumed long-term rate of return for 2025 was 8.00% for our domestic pension plans and 6.50% for our other postretirement benefit plans. Given the amount of plan assets as of December 31, 2024, the beginning of the measurement year, if we had assumed an expected rate of return for both our domestic pension and other

domestic postretirement benefit plans that was 100 bps higher or 100 bps lower than the rates we assumed, the change in our net periodic costs would have been as shown in the table below. The information provided in the table below considers only changes in our assumed long-term rate of return given the level and mix of invested assets at the beginning of the measurement year, without consideration of possible changes in any of the other assumptions described above that could ultimately accompany any changes in our assumed long-term rate of return.

	For the Year Ended December 31, 2025	
	Increase/(Decrease) in Net Periodic Pension Cost	Increase/(Decrease) in Net Periodic Other Postretirement Cost
	(in millions)	
Increase in expected rate of return by 100 bps	$ (123)	$ (11)
Decrease in expected rate of return by 100 bps	$ 123	$ 11

Foreign pension plans represent 3% of plan assets at the beginning of 2025. An increase in expected rate of return by 100 bps would result in a decrease in net periodic pension costs of $3 million; conversely, a decrease in expected rate of return by 100 bps would result in an increase in net periodic pension costs of $3 million.

We determine our discount rate, used to value the pension and postretirement benefit obligations, based upon rates commensurate with current yields on high quality corporate bonds. See Note 19 to the Consolidated Financial Statements for information regarding the December 31, 2024 methodology we employed to determine our discount rate for 2025. Our assumed discount rate for 2025 was 5.85% for our domestic pension plans and 5.70% for our other domestic postretirement benefit plans. Given the amount of pension and postretirement obligations as of December 31, 2024, the beginning of the measurement year, if we had assumed a discount rate for both our domestic pension and other postretirement benefit plans that was 100 bps higher or 100 bps lower than the rates we assumed, the change in our net periodic costs would have been as shown in the table below. The information provided in the table below considers only changes in our assumed discount rate without consideration of possible changes in any of the other assumptions described above that could ultimately accompany any changes in our assumed discount rate.

	For the Year Ended December 31, 2025	
	Increase/(Decrease) in Net Periodic Pension Cost	Increase/(Decrease) in Net Periodic Other Postretirement Cost
	(in millions)	
Increase in discount rate by 100 bps	$ (55)	$ (1)
Decrease in discount rate by 100 bps	$ 92	$ 3

Foreign pension plans represent 10% of plan obligations at the beginning of 2025. An increase in discount rate by 100 bps would result in an increase in net periodic pension costs of $0 million; conversely, a decrease in discount rate by 100 bps would result in an increase in net periodic pension costs of $1 million.

Given the application of the authoritative guidance for accounting for pensions, and the deferral and amortization of actuarial gains and losses arising from changes in our assumed discount rate, the change in net periodic pension cost arising from an increase in the assumed discount rate by 100 bps would not always be expected to equal the change in net periodic pension cost arising from a decrease in the assumed discount rate by 100 bps.

For a discussion of our expected rate of return on plan assets and discount rate for our qualified pension plan in 2025, see "—Results of Operations by Segment—Corporate and Other."

For purposes of calculating pension income from our own qualified pension plan for the year ended December 31, 2026, we decreased the discount rate to 5.55% from 5.85% in 2025. The expected rate of return on plan assets decreased to 7.75% in 2026 from 8.00% in 2025, and the assumed rate of increase in compensation remained unchanged at 6.25%.

In addition to the effect of changes in our assumptions, the net periodic cost or benefit from our pension and other postretirement benefit plans may change due to factors such as actual experience being different from our assumptions, special benefits to terminated employees, or changes in benefits provided under the plans.

At December 31, 2025, the sensitivity of our domestic and foreign pension and postretirement obligations to a 100 basis point change in discount rate was as follows.

	December 31, 2025	
	Increase/(Decrease) in Pension Benefits Obligation	Increase/(Decrease) in Accumulated Postretirement Benefits Obligation
	(in millions)	
Increase in discount rate by 100 bps	$ (864)	$ (74)
Decrease in discount rate by 100 bps	$ 1,004	$ 86

Taxes on Income

Our effective tax rate is based on income, non-taxable and non-deductible items, tax credits, statutory tax rates and tax planning opportunities available in the various jurisdictions in which we operate. Inherent in determining our annual tax rate are judgments regarding business plans, planning opportunities and expectations about future outcomes. The Dividend Received Deduction ("DRD") is a significant reason for the difference between the Company's effective tax rate and the U.S. federal statutory rate. The DRD is an estimate that incorporates the prior and current year information, as well as the current year's equity market performance. Both the current estimate of the DRD and the DRD in future periods can vary based on factors such as, but not limited to, changes in the amount of dividends received that are eligible for the DRD, changes in the amount of distributions received from underlying fund investments, changes in the account balances of variable life and annuity contracts, and the Company's taxable income before the DRD.

An increase or decrease in our effective tax rate by one percentage point would have resulted in a decrease or increase in our 2025 "Total income tax expense (benefit)" of $47 million.

Contingencies

A contingency is an existing condition that involves a degree of uncertainty that will ultimately be resolved upon the occurrence of future events. Accruals for contingencies are required to be established when the future event is probable and its impact can be reasonably estimated, such as in connection with an unresolved legal matter. The initial reserve reflects management's best estimate of the probable cost of ultimate resolution of the matter and is revised accordingly as facts and circumstances change and, ultimately, when the matter is brought to closure.

Reinsurance

The Company participates in reinsurance arrangements as either the ceding entity or the assuming entity primarily to manage capital, reduce exposure to loss and risk volatility, and provide additional capacity for future growth and diversification. Reinsurance related assets and liabilities include, in part, embedded derivatives and the cost of reinsurance, which require a significant amount of management judgment. See Note 2 to the Consolidated Financial Statements for additional information regarding reinsurance.

Adoption of New Accounting Pronouncements

There were no new critical accounting estimates resulting from new accounting pronouncements adopted during 2025. See Note 2 to the Consolidated Financial Statements for accounting pronouncements issued but not yet adopted and newly adopted accounting pronouncements.

Liquidity and Capital Resources

Overview

Liquidity refers to the ability to generate sufficient cash resources to meet the payment obligations of the Company. Capital refers to the long-term financial resources available to support the operations of our businesses, fund business growth, and provide a cushion to withstand adverse circumstances. Our ability to generate and maintain sufficient liquidity and capital

depends on the profitability of our businesses, general economic conditions and our access to the capital markets and the alternate sources of liquidity and capital described herein.

Effective and prudent liquidity and capital management is a priority across the Company. Management monitors the liquidity of Prudential Financial and its subsidiaries on a daily basis and projects borrowing and capital needs over a multi-year time horizon. We use a Risk Appetite Framework ("RAF") to ensure that all risks taken across the Company align with our capacity and willingness to take those risks. The RAF provides a dynamic assessment of capital and liquidity stress impacts and is intended to ensure that sufficient resources are available to absorb those impacts. We believe that our capital and liquidity resources are sufficient to satisfy the capital and liquidity requirements of Prudential Financial and its subsidiaries.

Our businesses are subject to comprehensive regulation and supervision by domestic and international regulators. These regulations currently include requirements (many of which are the subject of ongoing rule-making) relating to capital and liquidity management. For information regarding these regulatory initiatives and their potential impact on us, see "Business—Regulation" and "Risk Factors."

From the beginning of 2025 through the date of this report, we took the following significant actions that have impacted, or are expected to impact, our liquidity and capital positions:

- In March, we issued $750 million of 5.200% senior unsecured notes. We intend to use these proceeds for general corporate purposes, which may include refinancing medium-term notes maturing through 2026.

- In March, we entered into a reinsurance agreement with Prismic Re International, a wholly-owned subsidiary of Prismic, to reinsure approximately $7 billion of reserves for certain USD-denominated Japanese whole life policies originated by our Japanese insurance subsidiaries. We also made an additional equity investment in Prismic of approximately $100 million to maintain our equity interest at approximately 20 percent. The value of the reinsurance transaction is estimated to be $400 million, which includes a release of capital, ceding commission, taxes, and the net present value of future income, of which a portion was used to fund the equity investment in Prismic, with the remaining amount to be released over time.

- In May, we redeemed $1.0 billion of 5.375% junior subordinated notes due 2045.

- In July, we repaid $350 million of 8.300% fixed-rate surplus notes due July 2025.

Capital

Our capital management framework is primarily based on statutory risk-based capital ("RBC") and solvency margin measures. Due to our diverse mix of businesses and applicable regulatory requirements, we apply certain refinements to the framework that are designed to more appropriately reflect risks associated with our businesses on a consistent basis across the Company.

We believe Prudential Financial's capitalization and financial profile are consistent with its ratings targets. Our long-term senior debt rating targets for Prudential Financial are "A" for Standard & Poor's Rating Services ("S&P"), Moody's Investor Service, Inc. ("Moody's"), and Fitch Ratings Inc. ("Fitch"), and "a" for A.M. Best Company ("A.M. Best"). Our financial strength rating targets for our life insurance companies are "AA/Aa/AA" for S&P, Moody's and Fitch, respectively, and "A+" for A.M. Best. Some entities may currently be rated below these targets, and not all of our insurance company subsidiaries are rated by each of these rating agencies. See "—Ratings" below for a description of the potential impacts of ratings downgrades.

Capital Governance

Our capital management framework is ultimately reviewed and approved by our Board. The Board has authorized our Chief Executive Officer and Chief Financial Officer to approve certain capital actions on behalf of the Company and to further delegate authority with respect to capital actions to appropriate officers, up to specified limits. Any capital commitment that exceeds the authority granted to senior management must be separately authorized by the Board.

In addition, our Capital and Finance Committee ("CFC") reviews the use and allocation of capital above certain threshold amounts to promote the efficient use of capital, consistent with our strategic objectives, ratings aspirations and other goals and targets. This management committee provides a multi-disciplinary due diligence review of specific initiatives or transactions requiring the use of capital, including mergers and acquisitions. The CFC also reviews our annual capital plan (and updates to

this plan), as well as our capital, liquidity and financial position, borrowing plans, and related matters prior to the discussion of these items with the Board.

Capitalization

The primary components of the Company's capitalization consist of equity and outstanding capital debt, including junior subordinated debt. As shown in the table below, as of December 31, 2025, the Company had $49.6 billion in capital, all of which was available to support the aggregate capital requirements of its businesses and its Corporate and Other operations. Based on our assessment of these businesses and operations, we believe this level of capital is consistent with our ratings targets.

	December 31,	
	2025	2024
	(in millions)	
Equity(1)	$ 35,515	$ 34,583
Junior subordinated debt (including hybrid securities)	7,595	7,588
Other capital debt	6,500	6,237
Total capital	$ 49,610	$ 48,408

(1) Amounts attributable to Prudential Financial, excluding AOCI.

Insurance Regulatory Capital

We manage PICA, Prudential of Japan, The Gibraltar Life Insurance Company, Ltd. ("Gibraltar Life"), and other significant insurance subsidiaries to regulatory capital levels consistent with our "AA" ratings targets. We utilize the RBC ratio as a primary measure of the capital adequacy of our domestic insurance subsidiaries and the solvency margin ratio as a primary measure of the capital adequacy of our Japanese insurance subsidiaries.

RBC is calculated based on statutory financial statements and risk formulas consistent with the practices of the NAIC. RBC considers, among other things, risks related to the type and quality of the invested assets, insurance related risks associated with an insurer's products and liabilities, interest rate risks, and general business risks. RBC ratio calculations are intended to assist insurance regulators in measuring an insurer's solvency and ability to pay future claims. The reporting of RBC measures is not intended for the purpose of ranking any insurance company or for use in connection with any marketing, advertising, or promotional activities, but is available to the public.

PICA's RBC ratio as of December 31, 2024, its most recent statutory fiscal year-end and RBC reporting date, was 409%. PICA's RBC ratio is calculated on a consolidated basis and included Pruco Life Insurance Company ("Pruco Life"), Pruco Life Insurance Company of New Jersey ("PLNJ"), which is a subsidiary of Pruco Life, and Prudential Legacy Insurance Company of New Jersey ("PLIC").

Although not yet filed, we expect the RBC ratios for PICA and our other domestic insurance subsidiaries as of December 31, 2025 to continue to be above target levels that would support "AA" financial strength ratings.

Similar to the RBC ratios that are employed by U.S. insurance regulators, regulatory authorities in the international jurisdictions in which we operate generally establish some form of minimum solvency margin requirements for insurance companies based on local statutory accounting practices. These solvency margins are a primary measure of the capital adequacy of our international insurance operations. Maintenance of our solvency margins at certain levels is also important to our competitive positioning, as in certain jurisdictions, such as Japan, these solvency margins are required to be disclosed to the public and therefore impact the public perception of an insurer's financial strength.

The table below presents the solvency margin ratios of our most significant international insurance subsidiaries as of September 30, 2025, the most recent date for which this information is available.

	Ratio
Prudential of Japan consolidated(1)	776 %
Gibraltar Life consolidated(2)	964 %

(1) Includes Prudential Trust Co., Ltd., a subsidiary of Prudential of Japan.

(2) Includes Prudential Gibraltar Financial Life Insurance Co., Ltd. ("PGFL"), a subsidiary of Gibraltar Life.

Although not yet filed, we expect the solvency margin ratio for each of these subsidiaries to be greater than 700% (3.5 times the regulatory required minimums) as of December 31, 2025.

The Japanese Financial Services Agency ("FSA") has implemented a new market-based alternative to the solvency margin ratio framework entitled the Economic Solvency Ratio ("ESR") that applies to our Japanese insurance subsidiaries. The ESR became effective in April 2025, with disclosure under the new framework required later in 2026.

All of our domestic and significant international insurance subsidiaries have capital levels that substantially exceed the minimum level required by applicable insurance regulations. The statutory capital of our insurance companies and our overall capital flexibility could be impacted by, among other things, market conditions and changes in insurance reserves, including those stemming from updates to our actuarial assumptions. Our regulatory capital levels also may be affected in the future by changes to the applicable regulations. For additional information regarding the calculation of RBC and solvency margin ratios, as well as regulatory minimums, see Note 20 to the Consolidated Financial Statements.

Captive Reinsurance Companies

We use captive reinsurance companies to more effectively manage our reserves and capital on an economic basis and to enable the aggregation and transfer of risks. Our captive reinsurance companies assume business from affiliates only. To support the risks they assume, our captives are capitalized to a level we believe is consistent with the "AA" financial strength rating targets of our insurance subsidiaries. All of our captives are subject to internal policies governing their activities. In the normal course of business, we contribute capital to the captives to support business growth and other needs. Prudential Financial has also entered into support agreements with several of the captives in connection with financing arrangements. For a description of captive reinsurance company financing activities, see below under "—Financing Activities—Subsidiary Borrowings—Term and Universal Life Reserve Financing."

Shareholder Distributions

Share Repurchase Program and Shareholder Dividends

In December 2024, Prudential Financial's Board of Directors authorized the Company to repurchase, at management's discretion, up to an aggregate of $1.0 billion of its outstanding Common Stock during the period from January 1, 2025 through December 31, 2025. We utilized the entirety of this $1.0 billion share repurchase authorization in 2025. In December 2025, the Board authorized the Company to repurchase, at management's discretion, up to $1.0 billion of its outstanding Common Stock during the period from January 1, 2026 through December 31, 2026.

In general, the timing and amount of share repurchases are determined by management based on market conditions and other considerations, including compliance with applicable laws and any increased capital needs of our businesses due to, among other things, credit migration and losses in our investment portfolio, changes in regulatory capital requirements and opportunities for growth and acquisitions. Repurchases may be executed in the open market, through derivative, accelerated repurchase and other negotiated transactions and through plans designed to comply with Rule 10b5-1(c) under the Securities Exchange Act of 1934, as amended.

The following table sets forth information about declarations of Common Stock dividends, as well as repurchases of shares of Prudential Financial's Common Stock, for each of the quarterly periods in 2025 and for the prior four years:

Quarterly Period Ended:	Dividend Amount		Shares Repurchased	
	Per Share	Aggregate	Shares	Total Cost
		(in millions, except per share data)		
December 31, 2025	$ 1.35	$ 480	2.3	$ 250
September 30, 2025	$ 1.35	$ 481	2.4	$ 250
June 30, 2025	$ 1.35	$ 485	2.4	$ 250
March 31, 2025	$ 1.35	$ 486	2.2	$ 250

Year Ended:	Dividend Amount		Shares Repurchased	
	Per Share	Aggregate	Shares	Total Cost
		(in millions, except per share data)		
December 31, 2025	$ 5.40	$ 1,932	9.3	$ 1,000
December 31, 2024	$ 5.20	$ 1,892	8.6	$ 1,000
December 31, 2023	$ 5.00	$ 1,850	10.9	$ 1,000
December 31, 2022	$ 4.80	$ 1,822	14.5	$ 1,500
December 31, 2021	$ 4.60	$ 1,821	24.5	$ 2,500

In addition, on February 3, 2026, Prudential Financial's Board of Directors declared a cash dividend of $1.40 per share of Common Stock, payable on March 12, 2026 to shareholders of record as of February 17, 2026.

Liquidity

Liquidity management and stress testing are performed on a legal entity basis as the ability to transfer funds between subsidiaries is limited due in part to regulatory restrictions. Liquidity needs are determined through daily and quarterly cash flow forecasting at the holding company and within our operating subsidiaries. We seek to maintain a minimum balance of highly liquid assets to ensure that adequate liquidity is available at Prudential Financial to cover fixed expenses in the event that we experience reduced cash flows from our operating subsidiaries at a time when access to capital markets is also not available.

We seek to mitigate the risk of having limited or no access to financing due to stressed market conditions by generally pre-funding debt in advance of maturity. We mitigate the refinancing risk associated with our debt that is used to fund operating needs by matching the term of debt with the assets financed. To ensure adequate liquidity in stress scenarios, stress testing is performed for our major operating subsidiaries. We seek to further mitigate liquidity risk by maintaining our access to alternative sources of liquidity, as discussed below.

Liquidity of Prudential Financial

The principal sources of funds available to Prudential Financial, the parent holding company, are dividends, returns of capital and loans from subsidiaries, and proceeds from debt issuances and certain stock-based compensation activity. These sources of funds may be supplemented by Prudential Financial's access to the capital markets as well as the "—Alternative Sources of Liquidity" described below.

The primary uses of funds at Prudential Financial include servicing debt, making capital contributions and loans to subsidiaries, making acquisitions, paying declared shareholder dividends and repurchasing outstanding shares of Common Stock executed under authority from the Board.

As of December 31, 2025, Prudential Financial had highly liquid assets with a carrying value totaling $4,732 million, a decrease of $1,532 million from December 31, 2024. Highly liquid assets predominantly include cash, short-term investments, U.S. Treasury securities, obligations of other U.S. government authorities and agencies, and/or foreign government bonds. We maintain an intercompany liquidity account that is designed to optimize the use of cash by facilitating the lending and borrowing of funds between Prudential Financial and its subsidiaries on a daily basis. Excluding the net borrowings from this intercompany liquidity account, Prudential Financial had highly liquid assets of $3,817 million as of December 31, 2025, a decrease of $824 million from December 31, 2024.

The following table sets forth Prudential Financial's principal sources and uses of highly liquid assets, excluding net borrowings from our intercompany liquidity account, for the periods indicated:

	Year Ended December 31,	
	2025	2024
	(in millions)	
Highly Liquid Assets, beginning of period	$ 4,641	$ 4,095
Dividends and/or returns of capital from subsidiaries(1)	2,232	3,332
Affiliated loans/(borrowings) - (capital activities)(2)	3	702
Capital contributions to subsidiaries(3)	(430)	(384)
Total Business Capital Activity(4)	1,805	3,650
Share repurchases(5)	(1,000)	(1,000)
Common Stock dividends(6)	(1,926)	(1,891)
Total Share Repurchases, Dividends and Business Disposition Activity	(2,926)	(2,891)
Proceeds from the issuance of debt(7)	1,109	1,124
Repayments of debt	(1,008)	(512)
Total Debt Activity	101	612
Net interest expense	(974)	(831)
Affiliated (borrowings)/loans - (operating activities)(8)	474	(887)
Tax cash flows(4)	289	448
Other corporate cash flows(4)	179	102
Share issuances for employee stock purchases and other(4)	228	343
Total Other Activity	196	(825)
Net increase (decrease) in highly liquid assets	(824)	546
Highly Liquid Assets, end of period	$ 3,817	$ 4,641

(1) 2025 includes $900 million from PICA, $618 million from international insurance subsidiaries, $500 million from Individual Life insurance captives, $202 million from PGIM subsidiaries, and $12 million from other subsidiaries. 2024 includes $1,550 million from PICA, $800 million from a holding company, funded by one of our captive insurance subsidiaries, inclusive of proceeds associated with the reinsurance of a portion of the Company's guaranteed universal life policies, $585 million from international insurance subsidiaries, $336 million from other subsidiaries, and $61 million from PGIM subsidiaries.

(2) Represents loans to and from subsidiaries made for capital management purposes. 2025 includes $3 million from international insurance subsidiaries. 2024 includes $502 million from international insurance subsidiaries, and $200 million from captive reinsurance subsidiaries.

(3) 2025 includes capital contributions of $363 million to international insurance subsidiaries, $61 million to other subsidiaries, and $6 million to PICA. 2024 includes capital contributions of $240 million to international insurance subsidiaries, $90 million to PGIM subsidiaries (which is completely offset in "Affiliated (borrowings)/loans - (operating activities)" within this table), and $54 million to other subsidiaries.

(4) 2025 "Total Business Capital Activity" includes segment inflows of $2,792 million from U.S. Businesses, $819 million from International Businesses, $509 million from PGIM, and outflows of $2,315 million to Corporate and Other operations. 2024 "Total Business Capital Activity" includes segment inflows of $4,132 million from U.S. Businesses, $1,531 million from International Businesses, $461 million from PGIM, and outflows of $2,474 million to Corporate and Other operations. In addition, Corporate & Other operations had net inflows of $696 million and $893 million, respectively, from "Tax cash flows," "Other corporate cash flows" and "Share issuances for employee stock purchases and other," as shown within this table. In addition, $347 million of PICA's dividend capacity was used to fund the July 2025 maturity of the PICA surplus note.

(5) Excludes cash payments made on trades that settled in the subsequent period.

(6) Includes cash payments made on dividends declared in prior periods.

(7) Includes $369 million and $135 million of proceeds from the issuance of retail medium-term notes that were used exclusively to purchase funding agreements from PICA in 2025 and 2024, respectively.

(8) Represents loans to and from affiliated subsidiaries to support business operating needs. 2025 includes $100 million from captive reinsurance subsidiaries.

Dividends and Returns of Capital from Subsidiaries

Domestic insurance subsidiaries. During 2025, Prudential Financial received dividends of $900 million from PICA. In addition to paying Common Stock dividends, our domestic insurance operations may return capital to Prudential Financial by other means, such as affiliated lending, and reinsurance with Bermuda-based affiliates. In the first quarter of 2025, Prudential Financial received a return of capital of $500 million from a holding company funded by a domestic captive insurance subsidiary.

International insurance subsidiaries. During 2025, Prudential Financial received dividends of $618 million from its international insurance subsidiaries. In addition to paying Common Stock dividends, our international insurance operations may

return capital to Prudential Financial by other means, such as the repayment of Preferred Stock obligations held by Prudential Financial or other affiliates, affiliated lending, affiliated derivatives and reinsurance with U.S.- and Bermuda-based affiliates.

Other subsidiaries. During 2025, Prudential Financial received dividends of $202 million from PGIM subsidiaries and $12 million from other subsidiaries.

Restriction on dividends and returns of capital from subsidiaries. Our insurance companies are subject to limitations on the payment of dividends and other transfers of funds to Prudential Financial and other affiliates under applicable insurance law and regulation. Further, market conditions could negatively impact capital positions of our insurance companies, which could further restrict their ability to pay dividends. More generally, the payment of dividends by any of our subsidiaries is subject to declaration by their Board of Directors and can be affected by market conditions and other factors.

With respect to our domestic insurance subsidiaries, PICA is permitted to pay ordinary dividends based on calculations specified under New Jersey insurance law, subject to prior notification to the New Jersey Department of Banking and Insurance ("NJDOBI"). Any distributions above this amount in any twelve-month period are considered to be "extraordinary" dividends, and the approval of the NJDOBI is required prior to payment. The laws regulating dividends of the states where our other domestic insurance companies are domiciled are similar, but not identical, to those of New Jersey.

Capital redeployment from our international insurance subsidiaries is subject to local regulatory requirements in the international jurisdictions in which they operate. Our most significant international insurance subsidiaries, Prudential of Japan and Gibraltar Life, are permitted to pay Common Stock dividends based on calculations specified by Japanese law. Dividends in excess of these amounts and other forms of capital distribution may require the prior approval of the FSA. The regulatory fiscal year end for both Prudential of Japan and Gibraltar Life is March 31, 2026, after which time the Common Stock dividend amount permitted to be paid without prior approval from the FSA can be determined.

The ability of our PGIM subsidiaries and the majority of our other operating subsidiaries to pay dividends is largely unrestricted from a regulatory standpoint.

See Note 20 to the Consolidated Financial Statements for information regarding specific dividend restrictions.

Liquidity of Insurance Subsidiaries

We manage the liquidity of our insurance operations to ensure stable, reliable and cost-effective sources of cash flows to meet all of our obligations. Liquidity within each of our insurance subsidiaries is provided by a variety of sources, including portfolios of liquid assets. The investment portfolios of our subsidiaries are integral to the overall liquidity of our insurance operations. We segment our investment portfolios and employ an asset/liability management approach specific to the requirements of each of our product lines. This enhances the discipline applied in managing the liquidity, as well as the interest rate and credit risk profiles, of each portfolio in a manner consistent with the unique characteristics of the product liabilities.

Liquidity is measured against internally-developed benchmarks that take into account the characteristics of both the asset portfolio and the liabilities that they support. We consider attributes of the various categories of liquid assets (for example, type of asset and credit quality) in calculating internal liquidity measures to evaluate our insurance operations' liquidity under various stress scenarios, including company-specific and market-wide events. We continue to believe that cash generated by ongoing operations and the profile of our assets provide sufficient liquidity under reasonably foreseeable stress scenarios for each of our insurance subsidiaries.

Cash Flow

The principal sources of liquidity for our insurance subsidiaries are premiums, investment and fee income, investment maturities, sales of investments, and sales associated with our insurance and annuity operations, as well as internal and external borrowings. The principal uses of liquidity include benefits, claims and dividends paid to policyholders, and payments to policyholders and contractholders in connection with surrenders, withdrawals and net policy loan activity. Other uses of liquidity may include commissions, general and administrative expenses, purchases of investments, the payment of dividends to the parent holding company, hedging and reinsurance activity and payments in connection with financing activities.

In each of our major insurance subsidiaries, we believe that the cash flows from operations are adequate to satisfy current liquidity requirements. The continued adequacy of this liquidity will depend upon factors such as future securities market conditions, changes in interest rate levels, policyholder perceptions of our financial strength, policyholder behavior, catastrophic events and the relative safety and attractiveness of competing products, each of which could lead to reduced cash

inflows or increased cash outflows. Our insurance operations' cash flows from investment activities result from repayments of principal, proceeds from maturities and sales of invested assets and investment income, net of amounts reinvested. The primary liquidity risks with respect to these cash flows are the risk of default by debtors or bond insurers, our counterparties' willingness to extend repurchase and/or securities lending arrangements, commitments to invest and market volatility. We closely manage these risks through our credit risk management process and regular monitoring of our liquidity position.

Domestic insurance operations. In managing the liquidity of our domestic insurance operations, we consider the risk of policyholder and contractholder withdrawals of funds earlier than our assumptions when selecting assets to support these contractual obligations. We use surrender charges and other contract provisions to mitigate the extent, timing and profitability impact of withdrawals of funds by customers. The following table sets forth the liabilities for market risk benefits, future policy benefits and policyholders' account balances of certain of our domestic insurance subsidiaries as of the dates indicated:

	December 31,	
	2025	2024
	(in billions)	
PICA	$ 232.4	$ 234.6
PLIC	45.1	46.2
Pruco Life	116.6	96.3
Other(1)	(79.5)	(83.1)
Total market risk benefits, future policy benefits and policyholders' account balances(2)	$ 314.6	$ 294.0

(1) Includes the impact of intercompany eliminations.

(2) Amounts are reflected gross of affiliated reinsurance recoverables. See Note 13 to the Consolidated Financial Statements for information regarding cash surrender values associated with policyholders' account balances.

The liabilities presented above are primarily supported by invested assets in our general account. As noted above, when selecting assets to support these contractual obligations, we consider the risk of policyholder and contractholder withdrawals of funds earlier than our assumptions. As a result, assets will include both liquid assets, as discussed below, and other assets that we believe adequately support our liabilities.

For PICA and other subsidiaries, the liabilities presented above primarily include annuity reserves and deposit liabilities and individual life insurance policy reserves. Individual life insurance policies may impose surrender charges and policyholders may be subject to a new underwriting process in order to obtain a new insurance policy. PICA's reserves for group annuity contracts primarily relate to pension risk transfer contracts, which are generally not subject to early withdrawal. For our individual annuity contracts, to encourage persistency, most of our variable and fixed annuities have surrender or withdrawal charges for a specified number of years. In addition, certain fixed annuities impose a market value adjustment if the invested amount is not held to maturity. The living benefit features of our variable annuities also encourage persistency because the potential value of the living benefit is fully realized only if the contract persists.

Gross account withdrawals for our domestic insurance operations' products in 2025 were generally consistent with our assumptions in asset/liability management, and the associated cash outflows did not have a material adverse impact on our overall liquidity.

International insurance operations. As with our domestic operations, in managing the liquidity of our international insurance operations, we consider the risk of policyholder and contractholder withdrawals of funds earlier than our assumptions in selecting assets to support these contractual obligations. The following table sets forth the liabilities for market risk benefits, future policy benefits and policyholders' account balances of certain of our international insurance subsidiaries as of the dates indicated:

	December 31,	
	2025	2024
	(in billions)	
Prudential of Japan(1)	$ 58.4	$ 58.7
Gibraltar Life(2)	97.8	96.0
Other international insurance subsidiaries, excluding Japan	3.6	2.5
Other(3)	(13.9)	(13.9)
Total market risk benefits, future policy benefits and policyholders' account balances(4)	$ 145.9	$ 143.3

(1) As of December 31, 2025 and 2024, $21.6 billion and $20.3 billion, respectively, of the insurance-related liabilities for Prudential of Japan are associated with USD-denominated products that are coinsured to our domestic insurance operations and supported by USD-denominated assets. As of December 31, 2025 and 2024, $5.6 billion and $4.8 billion, respectively, of the insurance-related liabilities for Prudential of Japan are primarily associated with yen- and USD-denominated products that are coinsured to Gibraltar Reinsurance Company Ltd. ("Gibraltar Re"), a Bermuda-based reinsurance affiliate, and primarily supported by yen- and USD-denominated assets.

(2) As of December 31, 2025 and 2024, $6.8 billion and $6.5 billion, respectively, of the insurance-related liabilities for Gibraltar Life (including PGFL) are associated with U.S. dollar-denominated products that are coinsured to our domestic insurance operations and supported by USD-denominated assets. As of December 31, 2025 and 2024, $31.0 billion and $25.1 billion, respectively, of the insurance-related liabilities for Gibraltar Life (including PGFL) are primarily associated with yen- and USD-denominated products that are coinsured to Gibraltar Re and primarily supported by yen- and USD-denominated assets.

(3) Reflects the impact of intercompany eliminations.

(4) Amounts are reflected gross of affiliated reinsurance recoverables. See Note 13 to the Consolidated Financial Statements for information regarding cash surrender values associated with policyholders' account balances.

The liabilities presented above are primarily supported by invested assets in our general account. When selecting assets to support these contractual obligations, we consider the risk of policyholder and contractholder withdrawals of funds earlier than our assumptions. As a result, assets will include both liquid assets, as discussed below, and other assets that we believe adequately support our liabilities.

We believe most of the longer-term recurring pay individual life insurance policies sold by our Japanese operations do not have significant withdrawal risk because policyholders may incur surrender charges and must undergo a new underwriting process to obtain a new insurance policy.

Prudential of Japan and Gibraltar Life sell USD-denominated investment contracts with a market value adjustment feature to mitigate the profitability impact for surrenders, as these contracts may be subject to increased surrenders should the yen depreciate or if interest rates in the U.S. decline relative to Japan. As of December 31, 2025, products with a market value adjustment feature represented $41.5 billion of our Japan operations' insurance-related liabilities.

Liquid Assets

Liquid assets include cash and cash equivalents, short-term investments, U.S. Treasury securities, fixed maturities that are not designated as held-to-maturity and public equity securities. In addition to access to substantial investment portfolios, our insurance companies' liquidity is managed through access to a variety of instruments available for funding and/or managing cash flow mismatches, including from time to time those arising from claim levels in excess of projections. Our ability to utilize assets and liquidity between our subsidiaries is limited by regulatory and other constraints. We believe that ongoing operations and the liquidity profile of our assets provide sufficient liquidity under reasonably foreseeable stress scenarios for each of our insurance subsidiaries.

The following table sets forth the fair value of certain of our domestic insurance operations' portfolio of liquid assets, as of the dates indicated.

	December 31, 2025				
	Prudential Insurance(1)	PLIC	Pruco Life	Total	December 31, 2024
			(in billions)		
Cash and short-term investments	$ 7.3	$ 1.0	$ 3.2	$ 11.5	$ 12.5
Fixed maturity investments(2):					
High or highest quality	127.7	26.4	49.5	203.6	180.3
Other than high or highest quality	7.9	2.2	2.9	13.0	12.1
Subtotal	135.6	28.6	52.4	216.6	192.4
Public equity securities, at fair value	1.8	1.6	2.9	6.3	5.4
Total	$ 144.7	$ 31.2	$ 58.5	$ 234.4	$ 210.3

(1) Represents legal entity view and as such includes both domestic and international activity.
(2) Credit quality is based on NAIC or equivalent rating.

The following table sets forth the fair value of our international insurance operations' portfolio of liquid assets, as of the dates indicated.

	December 31, 2025				
	Prudential of Japan	Gibraltar Life(1)	All Other(2)	Total	December 31, 2024
			(in billions)		
Cash and short-term investments	$ 0.8	$ 4.6	$ 3.7	$ 9.1	$ 7.4
Fixed maturity investments(3):					
High or highest quality(4)	24.1	47.1	26.6	97.8	102.6
Other than high or highest quality	0.4	0.4	3.8	4.6	3.6
Subtotal	24.5	47.5	30.4	102.4	106.2
Public equity securities	4.2	0.9	0.4	5.5	4.2
Total	$ 29.5	$ 53.0	$ 34.5	$ 117.0	$ 117.8

(1) Includes PGFL.
(2) Represents our international insurance operations, excluding Japan.
(3) Credit quality is based on NAIC or equivalent rating.
(4) As of December 31, 2025, $55.2 billion, or 56%, were invested in government or government agency bonds.

Given the size and liquidity profile of our investment portfolios, we believe that claim experience, including policyholder withdrawals and surrenders, varying from our projections does not constitute a significant liquidity risk. Our ALM process takes into account the expected maturity of investments and expected claim payments as well as the specific nature and risk profile of the liabilities. To the extent we need to pay claims in excess of projections, we may borrow temporarily or sell investments sooner than anticipated to pay these claims, which may result in increased borrowing costs or realized investment gains or losses, including from changes in interest rates or credit spreads. The payment of claims and sale of investments earlier than anticipated would have an impact on the reported level of cash flow from operating, investing, and financing activities, in our financial statements. Historically, there has been no significant variation between the expected maturities of our investments and the payment of claims.

Liquidity associated with other activities

Hedging activities associated with Individual Retirement Strategies

For the portion of our Individual Retirement Strategies' ALM strategy executed through hedging, we enter into a range of exchange-traded, cleared and other OTC equity and interest rate derivatives in order to hedge certain capital market risks related to more severe market conditions. For a full discussion of our Individual Retirement Strategies' risk management strategy, see "—Results of Operations by Segment—Retirement Strategies." This portion of our Individual Retirement Strategies' ALM strategy requires access to liquidity to meet payment obligations relating to these derivatives, such as payments for periodic settlements, purchases, maturities and terminations. These liquidity needs can vary materially due to, among other items, changes in interest rates, equity markets, mortality and policyholder behavior.

The hedging portion of our Individual Retirement Strategies' ALM strategy may also result in derivative related collateral postings to (when we are in a net post position) or from (when we are in a net receive position) counterparties. The net collateral position depends on changes in interest rates and equity markets related to the amount of the exposures hedged. Depending on market conditions, the collateral posting requirements can result in material liquidity needs when we are in a net post position.

Foreign exchange hedging activities

We employ various hedging strategies to manage potential exposure to foreign currency exchange rate movements, particularly those associated with the yen. Our overall yen hedging strategy calibrates the hedge level to preserve the relative contribution of our yen-based business to the Company's overall return on equity on a leverage neutral basis.

We hold both internal and external hedges primarily to hedge our USD-equivalent equity. These hedges also mitigate volatility in the solvency margins of yen-based subsidiaries resulting from changes in the market value of their USD-denominated investments hedging our USD-equivalent equity attributable to changes in the yen-USD exchange rate.

For additional information regarding our hedging strategy, see "—External and Economic Factors—Impact of Foreign Currency Exchange Rates."

Cash settlements from these hedging activities result in cash flows between subsidiaries of Prudential Financial and either international-based subsidiaries or external parties. The cash flows are dependent on changes in foreign currency exchange rates and the notional amount of the exposures hedged. For example, a significant yen depreciation over an extended period of time could result in net cash inflows, while a significant yen appreciation could result in net cash outflows. The following tables set forth information about net cash settlements and the net asset or liability resulting from these hedging activities related to the yen and other currencies for the periods indicated.

Cash Settlements Received (Paid):	**Year Ended December 31,**	
	2025	**2024**
	(in millions)	
Internal Hedges(1)	$ 451	$ 740
External Hedges(2)	156	(162)
Total Cash Settlements	$ 607	$ 578

Assets (Liabilities):	**As of December 31,**	
	2025	**2024**
	(in millions)	
Internal Hedges(1)	$ 999	$ 968
External Hedges(3)	97	341
Total Assets (Liabilities)(4)	$ 1,096	$ 1,309

(1) Represents internal transactions between international-based and U.S.-based entities. Amounts noted are from the U.S.-based entities' perspectives.
(2) Includes non-yen related cash settlements received (paid) of ($11) million, primarily denominated in Brazilian real, Australian dollar and Chilean peso and ($9) million, primarily denominated in Brazilian real, Chilean peso and Australian dollar for the years ended December 31, 2025 and 2024, respectively.
(3) Includes non-yen related assets (liabilities) of ($44) million, primarily denominated in Brazilian real, Chilean peso and Australian dollar, and $91 million, primarily denominated in Brazilian real, Chilean peso and Australian dollar, as of December 31, 2025 and 2024, respectively.
(4) As of December 31, 2025, approximately $167 million, $303 million, $291 million and $334 million of the net market values are scheduled to settle in 2026, 2027, 2028 and thereafter, respectively. The net market value of the assets (liabilities) will vary with changing market conditions to the extent there are no corresponding offsetting positions.

PGIM operations

The principal sources of liquidity for our fee-based PGIM businesses include cash flows from asset management, commercial mortgage origination and servicing activities, and internal and external funding facilities. The principal uses of liquidity for our fee-based PGIM businesses include general and administrative expenses, facilitating our commercial mortgage loan business, funding needs of our seed and co-investment portfolio and distributions of dividends and returns of capital to Prudential Financial. The primary liquidity risks for our fee-based PGIM businesses relate to their profitability, which is impacted by market conditions, our investment management performance and client redemptions. We believe the cash flows from our fee-based PGIM businesses are adequate to satisfy the current liquidity requirements of these operations, as well as

requirements that could arise under reasonably foreseeable stress scenarios, which are monitored through the use of internal measures.

The principal sources of liquidity for our seed and co-investments held in our PGIM businesses are cash flows from investments, cash flows from our fee-based businesses, as described above, borrowing lines from internal sources, including Prudential Financial and Prudential Funding, LLC ("Prudential Funding"), a wholly-owned subsidiary of PICA, and external sources, including PGIM's limited-recourse credit facility. The principal uses of liquidity for our seed and co-investments include making investments to support business growth and paying interest expense from the internal and external borrowings used to fund those investments. The primary liquidity risks include the inability to sell assets in a timely manner, declines in the value of assets and credit defaults.

Alternative Sources of Liquidity

In addition to asset-based financing as discussed below, Prudential Financial and certain subsidiaries have access to other sources of liquidity, including syndicated, unsecured committed credit facilities, membership in the Federal Home Loan Bank of New York, a funding agreement facility with the Federal Agricultural Mortgage Corporation ("Farmer Mac"), commercial paper programs and contingent financing facilities in the form of facility agreements. For additional information regarding these sources of liquidity, see Note 18 to the Consolidated Financial Statements.

Asset-based Financing

We conduct asset-based or secured financing within our insurance and other subsidiaries, including transactions such as securities lending, committed and uncommitted repurchase agreements and mortgage dollar rolls, to earn spread income, to borrow funds, or to facilitate trading activity. These programs are primarily driven by portfolio holdings of securities that are lendable based on counterparty demand for these securities in the marketplace. The collateral received in connection with these programs is primarily used to purchase securities in the short-term spread portfolios of our insurance entities. Investments held in the short-term spread portfolios include cash and cash equivalents, short-term investments (primarily corporate bonds), mortgage loans, private placements, and other fixed and floating rate structured credit assets (CLOs), with a weighted average life at time of purchase by the short-term portfolios of five years or less. These short-term portfolios are subject to specific investment policy statements, which among other things, do not allow for significant asset/liability interest rate duration mismatch, and are managed to a weighted average maturity that cannot exceed 99 days beyond the weighted average maturity of the lending book, which is overnight.

The following table sets forth our liabilities under asset-based or secured financing programs as of the dates indicated:

	December 31, 2025			December 31, 2024		
	PFI Excluding Closed Block Division	Closed Block Division	Consolidated	PFI Excluding Closed Block Division	Closed Block Division	Consolidated
	($ in millions)					
Securities sold under agreements to repurchase	$ 6,802	$ 2,796	$ 9,598	$ 4,779	$ 2,017	$ 6,796
Cash collateral for loaned securities	8,379	321	8,700	8,315	1,306	9,621
Securities sold but not yet purchased	0	0	0	0	0	0
Total(1)(2)	$ 15,181	$ 3,117	$ 18,298	$ 13,094	$ 3,323	$ 16,417
Portion of above securities that may be returned to the Company overnight requiring immediate return of the cash collateral	$ 13,527	$ 2,357	$ 15,884	$ 12,325	$ 3,220	$ 15,545
Weighted average maturity, in days(3)	7	2		5	4	

(1) The daily average outstanding balance for the years ended December 31, 2025 and 2024 was $14,831 million and $11,196 million, respectively, for PFI excluding the Closed Block division, and $3,359 million and $3,671 million, respectively, for the Closed Block division.
(2) Includes utilization of external funding facilities for PGIM's commercial mortgage origination business.
(3) Excludes securities that may be returned to the Company overnight.

As of December 31, 2025, our domestic insurance entities had assets eligible for the asset-based or secured financing programs of $100.6 billion, of which $17.2 billion were on loan. Taking into account market conditions and outstanding loan balances as of December 31, 2025, we believe approximately $14.0 billion of the remaining eligible assets are readily lendable, including approximately $11.6 billion relating to PFI excluding the Closed Block division, of which $3.9 billion relates to certain separate accounts and may only be used for financing activities related to those accounts, and the remaining $2.4 billion relating to the Closed Block division.

Financing Activities

As of December 31, 2025, total short-term and long-term debt of the Company on a consolidated basis was $20.3 billion, an increase of $0.2 billion from December 31, 2024. The following table sets forth total consolidated borrowings of the Company as of the dates indicated. We may, from time to time, seek to redeem or repurchase our outstanding debt securities through open market purchases, individually negotiated transactions or otherwise. Any such actions will depend on prevailing market conditions, our liquidity position and other factors.

	December 31, 2025			December 31, 2024		
	Prudential Financial	Subsidiaries	Consolidated	Prudential Financial	Subsidiaries	Consolidated
	(in millions)					
General obligation short-term debt:						
Commercial paper	$ 25	$ 849	$ 874	$ 25	$ 496	$ 521
Current portion of long-term debt	536	0	536	0	347	347
Subtotal	561	849	1,410	25	843	868
General obligation long-term debt:						
Senior debt	10,823	0	10,823	10,245	0	10,245
Junior subordinated debt (1)	7,555	40	7,595	8,548	39	8,587
Surplus notes(2)	0	0	0	0	0	0
Subtotal	18,378	40	18,418	18,793	39	18,832
Total general obligations	18,939	889	19,828	18,818	882	19,700
Limited and non-recourse borrowings(3)						
Short-term debt	0	0	0	0	0	0
Current portion of long-term debt	0	33	33	0	85	85
Long-term debt	0	438	438	0	355	355
Subtotal	0	471	471	0	440	440
Total borrowings	$ 18,939	$ 1,360	$ 20,299	$ 18,818	$ 1,322	$ 20,140

(1) As of December 31, 2025 and 2024, includes $0 million and $1,000 million, respectively, of hybrid securities classified as operating debt.

(2) Amounts are net of assets under set-off arrangements of $15,744 million and $14,748 million as of December 31, 2025 and 2024, respectively. Amounts include credit-linked note structures used to finance Guideline AXXX reserves for business reinsured to Somerset Re in March 2024.

(3) Limited and non-recourse borrowing primarily represents mortgage debt of our subsidiaries that has recourse only to real estate investment property of $216 million and $185 million as of December 31, 2025 and 2024, respectively, and a draw on a credit facility with recourse only to collateral pledged by the Company of $255 million as of both December 31, 2025 and 2024.

As of December 31, 2025 and 2024, the Company was in compliance with all debt covenants related to the borrowings in the table above. For additional information regarding the Company's short- and long-term debt obligations, see Note 18 to the Consolidated Financial Statements.

Based on the use of proceeds, we classify our borrowings as capital debt and operating debt. Capital debt, which is debt utilized to meet the capital requirements of our businesses, was $14.1 billion and $13.8 billion as of December 31, 2025 and 2024, respectively. Operating debt was $5.7 billion and $5.9 billion as of December 31, 2025 and 2024, respectively, and is utilized for business funding to meet specific purposes, which may include activities associated with our PGIM and AIQ businesses. Operating debt also consists of debt issued to finance specific portfolios of investment assets, the proceeds from which will service the debt. Specifically, this includes assets supporting reserve requirements under Regulation XXX and Guideline AXXX as described below, as well as funding for institutional and insurance company portfolio cash flow timing differences.

In December 2025, the Company entered into an agreement with an external counterparty that allows for the issuance by PICA of up to $500 million in principal amount of surplus notes in return for a corresponding amount of credit-linked notes issued by a special-purpose wholly owned subsidiary of the Company. As of December 31, 2025, $287 million in principal amount of these surplus notes and credit-linked notes were outstanding. The PICA surplus notes are subordinated to policyholder obligations, and the payment of principal and interest on the surplus notes can only be made with prior insurance regulatory approval. PICA holds these credit-linked notes as assets supporting statutory requirements and can redeem the principal amount of the outstanding credit-linked notes for cash upon the occurrence of specified liquidity stress events affecting PICA. Under the agreements, the external counterparty has agreed to fund any such payments under these credit-linked notes in return for the receipt of fees. To date, no such payments under these credit-linked notes have been required. The surplus notes and credit-linked notes eliminate upon consolidation and are not reflected in the Company's financial statements.

Prudential Financial Borrowings

Long-term borrowings are conducted primarily by Prudential Financial. It borrows these funds to meet its capital and other funding needs, as well as the capital and funding needs of its subsidiaries. Prudential Financial maintains a shelf registration statement with the SEC that permits the issuance of public debt, equity and hybrid securities. As a "Well-Known Seasoned Issuer" under SEC rules, Prudential Financial's shelf registration statement provides for automatic effectiveness upon filing and has no stated issuance capacity.

Prudential Financial's borrowings increased $0.1 billion from December 31, 2024, primarily driven by $750 million in senior unsecured notes issuances and $369 million in retail notes issuances, offset by $1 billion in debt redemptions. In March 2025, the Company issued $750 million in aggregate principal amount of 5.20% senior unsecured notes due in March 2035. In May 2025, the Company redeemed, in full, $1.0 billion in aggregate principal amount of 5.37% junior subordinated notes due in 2045. For additional information regarding long-term debt, see Note 18 to the Consolidated Financial Statements.

Subsidiary Borrowings

Subsidiary borrowings principally consist of commercial paper borrowings by Prudential Funding, asset-based financing and real estate investment financing. Borrowings of our subsidiaries increased $38 million from December 31, 2024.

Term and Universal Life Reserve Financing

For business written prior to the implementation of principle-based reserving, Regulation XXX and Guideline AXXX require domestic life insurers to establish statutory reserves for term and universal life insurance policies with long-term premium guarantees that are consistent with the statutory reserves required for other individual life policies with similar guarantees. Many market participants believe that these levels of reserves are excessive relative to the levels reasonably required to maintain solvency for moderately adverse experience. The difference between the statutory reserve and the amount necessary to maintain solvency for moderately adverse experience is considered to be the non-economic portion of the statutory reserve.

We use captive reinsurance subsidiaries to finance the portion of the statutory reserves required to be held by our domestic life insurance companies under Regulation XXX and Guideline AXXX that we consider to be non-economic. The financing arrangements involve the reinsurance of term and universal life business to our captive reinsurers and the issuance of surplus notes by those captives that are treated as capital for statutory purposes. These surplus notes are subordinated to policyholder obligations, and the payment of principal and interest on the surplus notes can only be made with prior insurance regulatory approval.

We have entered into agreements with external counterparties providing for the issuance of surplus notes by our captive reinsurers in return for the receipt of credit-linked notes ("Credit-Linked Note Structures"). Under the agreements, the captive receives in exchange for the surplus notes one or more credit-linked notes issued by a special-purpose affiliate of the Company with an aggregate principal amount equal to the surplus notes outstanding. The captive holds the credit-linked notes as assets supporting Regulation XXX or Guideline AXXX non-economic reserves, as applicable. The captive can redeem the principal amount of the outstanding credit-linked notes for cash upon the occurrence of, and in an amount necessary to remedy, a specified liquidity stress event affecting the captive. Under the agreements, the external counterparties have agreed to fund any such payments under the credit-linked notes in return for the receipt of fees. To date, no such payments under the credit-linked notes have been required. Under these transactions, because valid rights of set-off exist, interest and principal payments on the surplus notes and on the credit-linked notes are settled on a net basis, and the surplus notes are reflected in the Company's total consolidated borrowings on a net basis. As a result of reinsurance transactions executed with Somerset Re and Wilton Re, we have eliminated Credit-Linked Note Structures supporting Guideline AXXX for our remaining business. In November 2024, we

restructured a series of internal captive reinsurance arrangements resulting in the consolidation of Credit-Linked Note Structures supporting Regulation XXX.

As of December 31, 2025, we had Credit-Linked Note Structures with an aggregate issuance capacity of $8,000 million, of which $7,660 million was outstanding, as compared to an aggregate issuance capacity of $8,000 million, of which $7,560 million was outstanding, as of December 31, 2024. These amounts exclude credit-linked note structures used to finance Guideline AXXX reserves for business reinsured to Somerset Re in March 2024.

As of December 31, 2025, we also had outstanding an aggregate of $100 million of debt issued for the purpose of financing Regulation XXX non-economic reserves. In addition, as of December 31, 2025, for purposes of financing Guideline AXXX non-economic reserves, one captive had $3,982 million of surplus notes outstanding that were issued to affiliates.

The Company introduced updated versions of its individual life products in conjunction with the requirement to adopt principle-based reserving by January 1, 2020. These updated products are currently priced to support the principle-based statutory reserve level without the need for reserve financing.

Off-Balance Sheet Arrangements

See additional information regarding off-balance sheet arrangements in Note 18 and other commitments in Note 25 to the Consolidated Financial Statements.

We do not have retained or contingent interests in assets transferred to unconsolidated entities, or variable interests in unconsolidated entities or other similar transactions, arrangements or relationships that serve as credit, liquidity or market risk support, that we believe are reasonably likely to have a material effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or our access to or requirements for capital resources. In addition, we do not have relationships with any unconsolidated entities that are contractually limited to narrow activities that facilitate our transfer of or access to associated assets.

Ratings

Financial strength ratings (which are sometimes referred to as “claims-paying” ratings) and credit ratings are important factors affecting public confidence in an insurer and its competitive position in marketing products. Our credit ratings are also important for our ability to raise capital through the issuance of debt and for the cost of such financing. Nationally Recognized Statistical Ratings Organizations continually review the financial performance and financial condition of the entities they rate, including Prudential Financial and its rated subsidiaries.

A downgrade in the credit or financial strength ratings of Prudential Financial or its rated subsidiaries could potentially, among other things, limit our ability to market products, reduce our competitiveness, increase the number or value of policy surrenders and withdrawals, increase our borrowing costs and potentially make it more difficult to borrow funds, adversely affect the availability of financial guarantees, such as letters of credit, cause additional collateral requirements or other required payments under certain agreements, allow counterparties to terminate derivative agreements and/or hurt our relationships with creditors, distributors, or trading counterparties thereby potentially negatively affecting our profitability, liquidity, and/or capital. In addition, we consider our own risk of non-performance in determining the fair value of our liabilities. Therefore, changes in our credit or financial strength ratings may affect the fair value of our liabilities.

Financial strength ratings represent the opinions of rating agencies regarding the financial ability of an insurance company to meet its obligations under an insurance policy. Credit ratings represent the opinions of rating agencies regarding an entity’s ability to repay its indebtedness. The following table summarizes the ratings for Prudential Financial and certain of its subsidiaries as of the date of this filing:

	A.M. Best(1)	S&P(2)	Moody's(3)	Fitch(4)
Last review date	**1/17/2025**	**11/19/2025**	**6/11/2025**	**9/9/2025**
Current outlook	**Stable**	**Stable**	**Stable**	**Stable**
Financial Strength Ratings:				
The Prudential Insurance Company of America	A+	AA-	Aa3	AA-
Pruco Life Insurance Company	A+	AA-	Aa3	AA-
Pruco Life Insurance Company of New Jersey	A+	AA-	NR*	AA-
The Prudential Life Insurance Company Ltd. (Prudential of Japan)	NR	A+	NR	NR
Gibraltar Life Insurance Company, Ltd.	NR	A+	NR	NR
The Prudential Gibraltar Financial Life Insurance Co. Ltd	NR	A+	NR	NR
Credit Ratings:				
Prudential Financial, Inc.:				
Short-term borrowings	AMB-1	A-1	P-2	F1
Long-term senior debt	a-	A	A3	A-
Junior subordinated long-term debt	bbb	BBB+	Baa1	BBB
The Prudential Insurance Company of America:				
Capital and surplus notes	a	A	A2	A
Prudential Funding, LLC:				
Short-term debt	AMB-1	A-1+	P-1	F1+
Long-term senior debt	a+	AA-	(P)A1	NR
PRICOA Global Funding I:				
Long-term senior debt	aa-	AA-	Aa3	AA-

*"NR" indicates not rated.

(1) A.M. Best Company, which we refer to as A.M. Best, financial strength ratings for insurance companies range from "A++ (superior)" to "D (Poor)." A rating of A+ is the second highest of thirteen rating categories. A.M. Best long-term credit ratings range from "aaa (exceptional)" to "c (Poor)." A.M. Best short-term credit ratings range from "AMB-1+," which represents the strongest ability to repay short-term debt obligations, to "AMB-4 (Questionable)."

(2) Standard & Poor's Rating Services, which we refer to as S&P, financial strength ratings for insurance companies range from "AAA (extremely strong)" to "D (default)." A rating of AA- is the fourth highest of twenty-two rating categories. S&P's long-term issue credit ratings range from "AAA (extremely strong)" to "D (default)." S&P short-term ratings range from "A-1 (extremely strong)" to "D (default)."

(3) Moody's Investors Service, Inc., which we refer to as Moody's, insurance financial strength ratings range from "Aaa (highest quality)" to "C (lowest)." A rating of Aa3 is the fourth highest of twenty-one rating categories. Numeric modifiers are used to refer to the ranking within the group—with 1 being the highest and 3 being the lowest. These modifiers are used to indicate relative strength within a category. Moody's long-term credit ratings range from "Aaa (highest)" to "C (default)." Moody's short-term ratings range from "Prime-1 (P-1)," which represents a superior ability for repayment of short-term debt obligations, to "Prime-3 (P-3)," which represents an acceptable ability for repayment of such obligations. Issuers rated "Not Prime" do not fall within any of the Prime rating categories.

(4) Fitch Ratings Inc., which we refer to as Fitch, financial strength ratings range from "AAA (exceptionally strong)" to "C (distressed)." A rating of AA- is the fourth highest of twenty-one rating categories. Fitch long-term credit ratings range from "AAA (highest credit quality)," which denotes exceptionally strong capacity for timely payment of financial commitments, to "D (default)." Short-term ratings range from "F1+ (highest credit quality)" to "D (default)."

The ratings set forth above reflect current opinions of each rating agency. Each rating should be evaluated independently of any other rating. These ratings are not directed toward shareholders and do not in any way reflect evaluations of the safety and security of the Common Stock. These ratings are reviewed periodically and may be changed at any time by the rating agencies. As a result, we cannot assure stakeholders that we will maintain our current ratings in the future.

Rating agencies use an "outlook" statement for both industry sectors and individual companies.

For an industry, an outlook generally indicates the potential for rating actions among the majority of companies in the sector over the next 12 to 18 months. AM Best, Fitch, Moody's, and S&P currently have a Stable outlook on the U.S. life insurance sector which implies that the rating agency expects the majority of ratings to remain unchanged.

For a particular company, an outlook generally indicates a medium- or long-term trend (generally six months to two years) in credit fundamentals which, if continued, may lead to a rating change. These indicators are not necessarily a precursor of a rating change nor do they preclude a rating agency from changing a rating at any time without notice. A.M. Best, Fitch, Moody's and S&P currently have the Company's ratings on Stable outlook.

Requirements to post collateral or make other payments because of ratings downgrades under certain agreements, including derivative agreements, can be satisfied in cash or by posting permissible securities held by the subsidiaries subject to the agreements. In addition, a ratings downgrade by A.M. Best to "A-" for our domestic life insurance companies would require PICA to either post collateral or a letter of credit in the amount of approximately $0.8 billion, based on the level of statutory reserves related to the variable annuity business acquired from Allstate. We believe that the posting of such collateral would not be a material liquidity event for PICA.

General Account Investments

We maintain diversified investment portfolios in our general account to support our liabilities to customers as well as our other general liabilities. Investments and other assets that do not support general account liabilities, and are therefore excluded from our general account, are as follows:

- assets of our derivative operations;
- assets of our investment management operations, including investments managed for third parties; and
- those assets classified as "Separate account assets" on our balance sheet.

A portion of our general account investments support customer liabilities reinsured under coinsurance with funds withheld and modified coinsurance arrangements. With these reinsurance arrangements, we retain legal ownership of the assets (collectively, the "Funds Withheld") which remain on our Consolidated Statements of Financial Position, while the economic benefits and investment risk associated with the Funds Withheld assets ultimately inure to the reinsurer. The composition of the Funds Withheld assets is subject to investment guidelines specific to the reinsurance treaties, which may differ from the investment guidelines we set for our General Account, excluding Funds Withheld. The investment guidelines are in place to ensure the investment risks associated with Funds Withheld portfolios are appropriately managed. See Note 15 to the Consolidated Financial Statements for additional information regarding our material reinsurance agreements.

The general account portfolios, excluding Funds Withheld, are managed pursuant to the distinct objectives and investment policy statements of PFI excluding the Closed Block division and Funds Withheld, and of the Closed Block division. The primary investment objectives of PFI excluding the Closed Block division and Funds Withheld include:

- hedging and otherwise managing the market risk characteristics of the major product liabilities and other obligations of the Company;
- optimizing investment income yield within risk constraints over time; and
- for certain portfolios, optimizing total return, including both investment income yield and capital appreciation, within risk constraints over time, while managing the market risk exposures associated with the corresponding product liabilities.

We pursue our objective to optimize investment income yield for PFI excluding the Closed Block division and Funds Withheld over time through:

- the investment of net operating cash flows, including new product premium inflows, and proceeds from investment sales, repayments and prepayments into investments with attractive risk-adjusted yields; and
- the sale of investments, where appropriate, either to meet various cash flow needs or to manage the portfolio's risk exposure profile with respect to duration, credit, currency and other risk factors, while considering the impact on taxes and capital.

The primary investment objectives of the Closed Block division include:

- providing for the reasonable dividend expectations of the participating policyholders within the Closed Block division; and
- optimizing total return, including both investment income yield and capital appreciation, within risk constraints, while managing the market risk exposures associated with the major product liabilities in the Closed Block division.

Our portfolio management approach, while emphasizing our investment income yield and asset/liability risk management objectives, also takes into account the capital and tax implications of portfolio activity and our assertions regarding our ability and intent to hold debt securities to recovery. For a further discussion of our allowance for credit losses, including our

assertions regarding any intention or requirement to sell debt securities before anticipated recovery, see "—Realized Investment Gains and Losses—Credit Losses" below.

Management of Investments

The Investment Committee of our Board of Directors ("Board") oversees our proprietary investments, including our general account portfolios excluding Funds Withheld, and regularly reviews performance and risk positions. Our Chief Investment Officer Organization ("CIO Organization") develops investment policies subject to risk limits proposed by our Risk Management group for the general account portfolios excluding Funds Withheld of our domestic and international insurance subsidiaries and directs and oversees management of the general account portfolios within risk limits approved annually by the Investment Committee.

The CIO Organization, including related functions within our insurance subsidiaries, works closely with product actuaries and Risk Management to understand the characteristics of our products and their associated market risk exposures. This information is incorporated into the development of target asset portfolios that manage market risk exposures associated with the liability characteristics and establish investment risk exposures, within tolerances prescribed by Prudential's investment risk limits, on which we expect to earn an attractive risk-adjusted return. We develop asset strategies for specific classes of product liabilities and attributed or accumulated surplus, each with distinct risk characteristics. Market risk exposures associated with the liabilities include interest rate risk, which is addressed through the duration characteristics of the target asset mix, and currency risk, which is addressed by the currency profile of the target asset mix. In certain of our smaller markets outside of the U.S. and Japan, capital markets limitations hinder our ability to hedge interest rate exposure to the same extent we do for our U.S. and Japan businesses and lead us to accept a higher degree of interest rate risk in these smaller portfolios. General account portfolios typically include allocations to credit and other investment risks as a means to enhance investment yields and returns over time.

Most of our products can be categorized into the following three classes:

- interest-crediting products for which the rates credited to customers are periodically adjusted to reflect market and competitive forces and actual investment experience, such as fixed annuities and universal life insurance;
- participating individual and experience-rated group products in which customers participate in actual investment and business results through annual dividends, interest or return of premium; and
- products with fixed or guaranteed terms, such as traditional whole life and endowment products, guaranteed investment contracts ("GICs"), funding agreements and payout annuities.

Our total investment portfolio is composed of a number of operating portfolios. Each operating portfolio backs a specific set of liabilities, and the portfolios have a target asset mix that supports the liability characteristics, including duration, cash flow, liquidity needs and other criteria. As of December 31, 2025, the average duration of our domestic general account investment portfolios attributable to PFI excluding the Closed Block division and Funds Withheld, including the impact of derivatives, was between 5 and 6 years. As of December 31, 2025, the average duration of our international general account portfolios attributable to our Japanese insurance operations, including the impact of derivatives, was between 8 and 9 years and represented a blend of yen-denominated and U.S. dollar and Australian dollar-denominated investments, which have distinct average durations supporting the insurance liabilities we have issued in those currencies. Our asset/liability management process has enabled us to manage our portfolios through several market cycles.

We implement our portfolio strategies primarily through investment in a broad range of fixed income assets, including government and agency securities, public and private corporate bonds and structured securities and mortgage loans. In addition, we hold allocations of non-coupon investments, which include equity securities and other invested assets such as limited partnerships and limited liability companies ("LPs/LLCs"), real estate held through direct ownership, derivative instruments, and seed money investments in separate accounts.

We manage our public fixed maturity portfolio to a risk profile directed or overseen by the CIO Organization and Risk Management groups and to a profile that also reflects the market environments impacting both our domestic and international insurance portfolios. The return that we earn on the portfolio will be reflected in investment income and in realized gains or losses on investments.

We use privately-placed corporate debt securities and mortgage loans, which consist of mortgages on diversified properties in terms of geography, property type and borrowers, to enhance the yield on our portfolios and to improve the overall diversification of the portfolios. Private placements typically offer enhanced yields due to an illiquidity premium and generally

offer enhanced credit protection in the form of covenants. Our origination capability offers the opportunity to lead transactions and gives us the opportunity for better terms, including covenants and call protection, and to take advantage of innovative deal structures.

Derivative strategies are employed in the context of our risk management framework to enhance our ability to manage interest rate and currency risk exposures of the asset portfolio relative to the liabilities and to manage credit and equity positions in the investment portfolios. For a discussion of our risk management process, see "Item 7A. Quantitative and Qualitative Disclosures About Market Risk" below.

Our portfolio asset allocation reflects our emphasis on diversification across asset classes, sectors and issuers. The CIO Organization, directly and through related functions within the insurance subsidiaries, implements portfolio strategies primarily through Prudential's PGIM segment. Activities of the PGIM segment on behalf of the general account portfolios are directed and overseen by the CIO Organization and monitored by Risk Management for compliance with investment risk limits.

Portfolio Composition

Our investment portfolio consists of public and private fixed maturity securities, commercial mortgage and other loans, policy loans and non-coupon investments, which include equity securities and other invested assets such as LPs/LLCs, real estate held through direct ownership, derivative instruments and seed money investments in separate accounts. The composition of our general account reflects, within the discipline provided by our risk management approach, our need for competitive results and the selection of diverse investment alternatives available primarily through our PGIM segment. The size of our portfolio enables us to invest in asset classes that may be unavailable to the typical investor.

The following tables set forth the composition of our general account investment portfolio apportioned between PFI excluding the Closed Block division and Funds Withheld, the Closed Block division, and Funds Withheld as of the dates indicated:

	December 31, 2025				
	PFI Excluding Closed Block Division and Funds Withheld		Closed Block Division	Funds Withheld	Total
	($ in millions)				
Fixed maturities:					
Public, available-for-sale, at fair value	$ 214,796	53.6 %	$ 18,833	$ 4,576	$ 238,205
Private, available-for-sale, at fair value	80,634	20.2	10,049	2,217	92,900
Fixed maturities, trading, at fair value	4,818	1.2	581	9,049	14,448
Assets supporting experience-rated contractholder liabilities, at fair value	4,842	1.2	0	0	4,842
Equity securities, at fair value	8,922	2.2	1,593	0	10,515
Commercial mortgage and other loans, at book value, net of allowance	56,195	14.0	7,463	263	63,921
Policy loans, at outstanding balance	6,741	1.7	3,217	0	9,958
Other invested assets, net of allowance(1)	17,684	4.4	4,532	1,850	24,066
Short-term investments, net of allowance	6,078	1.5	255	71	6,404
Total general account investments	400,710	100.0 %	46,523	18,026	465,259
Invested assets of other entities and operations(2)	5,260		0	0	5,260
Total investments	$ 405,970		$ 46,523	$ 18,026	$ 470,519

	December 31, 2024				
	PFI Excluding Closed Block Division and Funds Withheld		Closed Block Division	Funds Withheld	Total
	($ in millions)				
Fixed maturities:					
Public, available-for-sale, at fair value	$ 206,078	54.9 %	$ 19,103	$ 4,837	$ 230,018
Private, available-for-sale, at fair value	68,759	18.3	9,625	2,795	81,179
Fixed maturities, trading, at fair value	4,068	1.1	647	7,732	12,447
Assets supporting experience-rated contractholder liabilities, at fair value	3,707	1.0	0	0	3,707
Equity securities, at fair value	7,254	1.9	1,642	0	8,896
Commercial mortgage and other loans, at book value, net of allowance	53,987	14.4	7,652	233	61,872
Policy loans, at outstanding balance	6,447	1.7	3,348	0	9,795
Other invested assets, net of allowance(1)	16,781	4.4	4,929	1,867	23,577
Short-term investments, net of allowance	8,493	2.3	520	43	9,056
Total general account investments	375,574	100.0 %	47,466	17,507	440,547
Invested assets of other entities and operations(2)	4,233		0	0	4,233
Total investments	$ 379,807		$ 47,466	$ 17,507	$ 444,780

(1) Other invested assets consist of investments in LPs/LLCs, investment real estate held through direct ownership, derivative instruments and other miscellaneous investments. For additional information regarding these investments, see "—Other Invested Assets" below.

(2) Includes invested assets of our investment management and derivative operations. Excludes assets of our investment management operations that are managed for third parties and those assets classified as "Separate account assets" on our Consolidated Statements of Financial Position. For additional information regarding these investments, see "—Invested Assets of Other Entities and Operations" below.

The increase in general account investments attributable to PFI excluding the Closed Block division and Funds Withheld in 2025 was primarily due to net business inflows, a net decrease in U.S. interest rates and the translation impact of the U.S. dollar weakening against the yen, partially offset by assets transferred due to the Prismic Re International transaction and an increase in Japan interest rates. For information regarding the methodology used in determining the fair value of our fixed maturities, see Note 6 to the Consolidated Financial Statements.

As of December 31, 2025 and 2024, 39% and 42%, respectively, of our general account investments attributable to PFI excluding the Closed Block division and Funds Withheld related to our Japanese insurance operations. The following table sets forth the composition of the investments of our Japanese insurance operations' general account, as of the dates indicated:

	December 31,	
	2025	2024
	Japanese Insurance Operations	
	(in millions)	
Fixed maturities:		
Public, available-for-sale, at fair value	$ 102,061	$ 102,904
Private, available-for-sale, at fair value	21,284	21,603
Fixed maturities, trading, at fair value	551	461
Assets supporting experience-rated contractholder liabilities, at fair value	4,842	3,707
Equity securities, at fair value	1,652	1,845
Commercial mortgage and other loans, at book value, net of allowance	14,487	16,137
Policy loans, at outstanding balance	2,708	2,608
Other invested assets(1)	6,357	6,588
Short-term investments, net of allowance	2,166	2,324
Total Japanese general account investments	$ 156,108	$ 158,177

(1) Other invested assets consist of investments in LPs/LLCs, investment real estate held through direct ownership, derivative instruments and other miscellaneous investments.

The decrease in general account investments related to our Japanese insurance operations in 2025 was primarily due to the Prismic Re International transaction and an increase in Japan interest rates, partially offset by net business inflows and a decrease in U.S. interest rates.

As of December 31, 2025, our Japanese insurance operations had $95.7 billion, at carrying value, of investments denominated in U.S. dollars, including $1.7 billion that were hedged to yen through third-party derivative contracts and $86.6 billion that support liabilities denominated in U.S. dollars, with the remainder constituting part of the hedging of foreign currency exchange rate exposure to U.S. dollar-equivalent equity. As of December 31, 2024, our Japanese insurance operations had $88.1 billion, at carrying value, of investments denominated in U.S. dollars, including $1.0 billion that were hedged to yen through third-party derivative contracts and $80.5 billion that support liabilities denominated in U.S. dollars, with the remainder constituting part of the hedging of foreign currency exchange rate exposure of U.S. dollar-equivalent equity. The $7.6 billion increase in the carrying value of U.S. dollar-denominated investments from December 31, 2024 was primarily attributable to portfolio growth as a result of net business inflows and a net decrease in U.S. interest rates, partially offset by the Prismic Re International transaction.

Our Japanese insurance operations had $1.9 billion and $2.5 billion, at carrying value, of investments denominated in Australian dollars that support liabilities denominated in Australian dollars as of December 31, 2025 and 2024, respectively. The $0.6 billion decrease in the carrying value of Australian dollar-denominated investments from December 31, 2024 was primarily attributable to run-off of the portfolio. For additional information regarding U.S. and Australian dollar investments held in our Japanese insurance operations and a discussion of our yen hedging strategy, see "—External and Economic Factors—Impact of Foreign Currency Exchange Rates" above.

Investment Results

The following tables set forth the investment results of our general account apportioned between PFI excluding the Closed Block division and Funds Withheld, the Closed Block division and Funds Withheld, for the periods indicated. The yields are based on net investment income as reported under U.S. GAAP and as such do not include certain interest-related items, such as settlements of duration management swaps which are included in "Realized investment gains (losses), net."

	Year Ended December 31, 2025								
	PFI Excluding Closed Block Division, Funds Withheld and Japanese Insurance Operations		Japanese Insurance Operations		PFI Excluding Closed Block Division and Funds Withheld		Closed Block Division	Funds Withheld	Total(5)
	Yield(1)	Amount	Yield(1)	Amount	Yield(1)	Amount	Amount	Amount	Amount
					($ in millions)				
Fixed maturities(2)	5.52 %	$ 9,313	3.24 %	$ 4,521	4.48 %	$ 13,834	$ 1,450	$ 720	$ 16,004
Assets supporting experience-rated contractholder liabilities	0.00	0	1.17	49	1.17	49	0	0	49
Equity securities	2.18	114	3.35	59	2.48	173	26	0	199
Commercial mortgage and other loans	4.87	1,881	3.85	580	4.58	2,461	335	20	2,816
Policy loans	4.99	190	3.83	102	4.51	292	196	(5)	483
Short-term investments and cash equivalents	5.53	674	4.36	162	5.26	836	44	4	884
Gross investment income	5.32	12,172	3.28	5,473	4.45	17,645	2,051	739	20,435
Investment expenses	(0.20)	(860)	(0.13)	(349)	(0.17)	(1,209)	(241)	(2)	(1,452)
Investment income after investment expenses	5.12 %	11,312	3.15 %	5,124	4.28 %	16,436	1,810	737	18,983
Other invested assets(3)		743		650		1,393	246	667	2,306
Investment results of other entities and operations(4)		184		0		184	0	0	184
Total net investment income		$ 12,239		$ 5,774		$ 18,013	$ 2,056	$ 1,404	$ 21,473

	Year Ended December 31, 2024								
	PFI Excluding Closed Block Division, Funds Withheld and Japanese Insurance Operations		Japanese Insurance Operations		PFI Excluding Closed Block Division and Funds Withheld		Closed Block Division	Funds Withheld	Total(5)
	Yield(1)	Amount	Yield(1)	Amount	Yield(1)	Amount	Amount	Amount	Amount
					($ in millions)				
Fixed maturities(2)	5.36 %	$ 8,538	3.15 %	$ 4,358	4.33 %	$ 12,896	$ 1,491	$ 828	$ 15,215
Assets supporting experience-rated contractholder liabilities	0.00	0	1.11	38	1.11	38	0	0	38
Equity securities	3.23	121	3.29	49	3.25	170	35	1	206
Commercial mortgage and other loans	4.65	1,605	3.81	632	4.38	2,237	325	13	2,575
Policy loans	5.18	194	3.81	98	4.62	292	204	(4)	492
Short-term investments and cash equivalents	6.46	870	5.57	126	6.35	996	72	9	1,077
Gross investment income	5.26	11,328	3.21	5,301	4.37	16,629	2,127	847	19,603
Investment expenses	(0.19)	(787)	(0.12)	(329)	(0.16)	(1,116)	(288)	(3)	(1,407)
Investment income after investment expenses	5.07 %	10,541	3.09 %	4,972	4.21 %	15,513	1,839	844	18,196
Other invested assets(3)		546		489		1,035	209	448	1,692
Investment results of other entities and operations(4)		21		0		21	0	0	21
Total net investment income		$ 11,108		$ 5,461		$ 16,569	$ 2,048	$ 1,292	$ 19,909

	Year Ended December 31, 2023								
	PFI Excluding Closed Block Division, Funds Withheld and Japanese Insurance Operations		Japanese Insurance Operations		PFI Excluding Closed Block Division and Funds Withheld		Closed Block Division	Funds Withheld	Total(5)
	Yield(1)	Amount	Yield(1)	Amount	Yield(1)	Amount	Amount	Amount	Amount
					($ in millions)				
Fixed maturities(2)	5.18 %	$ 8,114	2.92 %	$ 4,004	4.12 %	$ 12,118	$ 1,489	$ 105	$ 13,712
Assets supporting experience-rated contractholder liabilities	0.00	0	1.13	25	1.13	25	0	0	25
Equity securities	2.82	95	3.61	61	3.09	156	41	0	197
Commercial mortgage and other loans	4.19	1,299	3.70	649	4.01	1,948	322	0	2,270
Policy loans	5.07	191	3.88	99	4.59	290	209	0	499
Short-term investments and cash equivalents	5.62	748	3.72	94	5.41	842	55	0	897
Gross investment income	5.17	10,447	3.03	4,932	4.24	15,379	2,116	105	17,600
Investment expenses	(0.13)	(551)	(0.13)	(318)	(0.13)	(869)	(254)	(1)	(1,124)
Investment income after investment expenses	5.04 %	9,896	2.90 %	4,614	4.11 %	14,510	1,862	104	16,476
Other invested assets(3)		629		306		935	97	78	1,110
Investment results of other entities and operations(4)		279		0		279	0	0	279
Total net investment income		$ 10,804		$ 4,920		$ 15,724	$ 1,959	$ 182	$ 17,865

(1) The denominator in the yield percentage is based on quarterly average carrying values for all asset types except for fixed maturities which are based on amortized cost, net of allowance. Amounts for fixed maturities, short-term investments and cash equivalents are also netted for securities lending activity (i.e., income netted for rebate expenses and asset values netted for securities lending liabilities). A yield is not presented for other invested assets as it is not considered a meaningful measure of investment performance. Yields exclude investment income and assets related to other invested assets. The year ended December 31, 2024 has been updated to reflect the correction of an error.

(2) Includes fixed maturity securities classified as available-for-sale and held-to-maturity and excludes fixed maturity securities classified as trading, which are included in other invested assets.

(3) Other invested assets consist of investments in LPs/LLCs, investment real estate held through direct ownership, derivative instruments, fixed maturities classified as trading and other miscellaneous investments.

(4) Includes net investment income of our investment management operations.

(5) The total yield excluding Funds Withheld was 4.29%, 4.22% and 4.01% for the years ended December 31, 2025, 2024 and 2023, respectively.

The increase in investment income after investment expenses yield attributable to our general account investments, excluding the Closed Block division, Funds Withheld and the Japanese insurance operations' portfolios for 2025 compared to 2024 was primarily the result of higher fixed income reinvestment rates.

The increase in investment income after investment expenses yield attributable to the Japanese insurance operations' portfolio for 2025 compared to 2024 was primarily the result of higher fixed income reinvestment rates.

Both the U.S. dollar-denominated and Australian dollar-denominated fixed maturities that are not hedged to yen through third-party derivative contracts provide a yield that is substantially higher than the yield on comparable yen-denominated fixed maturities. The average amortized cost of U.S. dollar-denominated fixed maturities that are not hedged to yen through third-party derivative contracts was $71.4 billion and $67.0 billion, for the years ended December 31, 2025 and 2024, respectively. The majority of U.S. dollar-denominated fixed maturities support liabilities that are denominated in U.S. dollars. The average amortized cost of Australian dollar-denominated fixed maturities that are not hedged to yen through third-party derivative contracts was $2.0 billion and $3.1 billion, for the years ended December 31, 2025 and 2024, respectively. The majority of Australian dollar-denominated fixed maturities support liabilities that are denominated in Australian dollars. For additional information regarding U.S. and Australian dollar investments held in our Japanese insurance operations, see "—External and Economic Factors—Impact of Foreign Currency Exchange Rates" above.

Realized Investment Gains and Losses

The following table sets forth "Realized investment gains (losses), net" of our general account apportioned between PFI excluding the Closed Block division and Funds Withheld, the Closed Block division and Funds Withheld, by investment type for the periods indicated:

	Years Ended December 31,		
	2025	2024	2023
		(in millions)	
PFI excluding Closed Block Division and Funds Withheld(4):			
Realized investment gains (losses), net:			
(Addition to) release of allowance for credit losses on fixed maturities	$ 121	$ (146)	$ (49)
Write-downs on fixed maturities(1)	(322)	(893)	(43)
Net gains (losses) on sales and maturities	(251)	(1,037)	(659)
Fixed maturity securities(2)	(452)	(2,076)	(751)
(Addition to) release of allowance for credit losses on loans	73	(100)	(199)
Write-downs on mortgage and other loans	(231)	(123)	(29)
Net gains (losses) on sales and maturities	(5)	0	0
Commercial mortgage and other loans	(163)	(223)	(228)
Derivatives	(1,792)	78	(1,774)
OTTI losses on other invested assets recognized in earnings	(13)	(16)	(50)
(Addition to) release of allowance for credit losses on other invested assets	0	0	4
Other net gains (losses)	(15)	193	202
Other	(28)	177	156
Subtotal	(2,435)	(2,044)	(2,597)
Investment results of other entities and operations(3)	19	48	0
Subtotal — PFI excluding Closed Block Division and Funds Withheld(4)	$ (2,416)	$ (1,996)	$ (2,597)
Closed Block Division:			
Realized investment gains (losses), net:			
(Addition to) release of allowance for credit losses on fixed maturities	$ 31	$ (49)	$ 29
Write-downs on fixed maturities(1)	(75)	(8)	(6)
Net gains (losses) on sales and maturities	(154)	(679)	(370)
Fixed maturity securities(2)	(198)	(736)	(347)
(Addition to) release of allowance for credit losses on loans	34	(17)	(58)
Write-downs on mortgage loans	(68)	(30)	0
Net gains (losses) on sales and maturities	(5)	0	0
Commercial mortgage and other loans	(39)	(47)	(58)
Derivatives	(147)	13	19
OTTI losses on other invested assets recognized in earnings	(4)	0	0
(Addition to) release of allowance for credit losses on other invested assets	0	0	2
Other net gains (losses)	15	1	4
Other	15	1	6
Subtotal — Closed Block Division	$ (373)	$ (769)	$ (380)
Funds Withheld(4):			
Realized investment gains (losses), net:			
(Addition to) release of allowance for credit losses on fixed maturities	$ (5)	$ 0	$ 0

Write-downs on fixed maturities(1)	(11)	(24)	(32)
Net gains (losses) on sales and maturities	(236)	(434)	(179)
Fixed maturity securities(2)	(252)	(458)	(211)
Commercial mortgage and other loans	(1)	0	0
Derivatives	(539)	574	(444)
(Addition to) release of allowance for credit losses on other invested assets	0	0	0
Other net gains (losses)	(551)	(780)	17
Other	(551)	(780)	17
Subtotal — Funds Withheld(4)	$ (1,343)	$ (664)	$ (638)
PFI realized investment gains (losses), net	$ (4,132)	$ (3,429)	$ (3,615)

(1) Amounts represent write-downs of credit adverse securities, securities where it is more likely than not the Company will be required to sell prior to the recovery of the amortized cost basis and securities actively marketed for sale.
(2) Includes fixed maturity securities classified as available-for-sale and excludes fixed maturity securities classified as trading.
(3) Includes "realized investment gains (losses), net" of our investment management operations.
(4) Prior period amounts have been updated to conform to current period presentation.

The following analysis reflects realized gains (losses) attributable to PFI excluding Closed Block Division and Funds Withheld.

2025 to 2024 Annual Comparison. Net losses on sales and maturities of fixed maturity securities were $251 million for the year ended December 31, 2025 primarily driven by net losses on sales in a higher interest rate environment, partially offset by net gains on assets transferred upon execution of the reinsurance transaction with Prismic Re International and the impact of foreign currency exchange rate movements on U.S. dollar-denominated securities that matured or were sold within our International Businesses. Net losses on sales and maturities of fixed maturity securities were $1,037 million for the year ended December 31, 2024 primarily driven by net losses on sales in a higher interest rate environment, partially offset by the impact of foreign currency exchange rate movements on U.S. dollar-denominated securities that matured or were sold within our International Businesses.

Net realized losses on derivative instruments of $1,792 million for the year ended December 31, 2025, primarily included:

- $956 million of net losses on product-related hedge positions and related embedded derivatives including those unfavorably impacted by the annual review and update of assumptions and other refinements within Individual Life; and
- $767 million of losses on foreign currency hedges primarily due to U.S. dollar depreciation versus foreign currencies.

Net realized gains on derivative instruments of $78 million for the year ended December 31, 2024, primarily included:

- $682 million of net gains on product-related hedge positions and related embedded derivatives;
- $513 million of gains on foreign currency hedges primarily due to U.S. dollar appreciation versus foreign currencies;
- $100 million of gains on synthetic GICs; and
- $94 million of gains on credit default swaps due to credit spreads tightening.

Partially offsetting these gains were:

- $1,311 million of losses on interest rate derivatives due to increases in swap and U.S. Treasury rates.

For a discussion of living benefit guarantees and related hedge positions in our Individual Retirement Strategies business, see "—Results of Operations by Segment—Retirement Strategies" above.

Credit Losses

The level of credit losses generally reflects current and expected economic conditions and is expected to increase when economic conditions worsen and to decrease when economic conditions improve. Historically, the causes of credit losses have been specific to each individual issuer and have not directly resulted in credit losses to other securities within the same industry

or geographic region. We may also realize additional credit and interest rate-related losses through sales of investments pursuant to our credit risk and portfolio management objectives.

We maintain separate monitoring processes for public and private fixed maturities and create watch lists to highlight securities that require special scrutiny and management. For private placements, our credit and portfolio management processes help ensure prudent controls over valuation and management. We have separate pricing and authorization processes to establish "checks and balances" for new investments. We apply consistent standards of credit analysis and due diligence for all transactions, whether they originate through our own in-house staff or through agents. Our regional offices closely monitor the portfolios in their regions. We set all valuation standards centrally, and we assess the fair value of all investments quarterly. Our public and private fixed maturity investment managers formally review all public and private fixed maturity holdings on a quarterly basis and more frequently when necessary to identify potential credit deterioration whether due to ratings downgrades, unexpected price variances and/or company or industry-specific concerns.

For LPs/LLCs accounted for using the equity method and for wholly-owned investment real estate, the carrying value of these investments is written down or impaired to fair value when a decline in value is considered to be other-than-temporary. For additional information regarding our OTTI policies, see Note 2 to the Consolidated Financial Statements.

General Account Investments of PFI excluding Closed Block Division and Funds Withheld

In the following sections, we provide details about our investment portfolio, excluding investments held in the Closed Block division and the Funds Withheld portfolios. We believe the details of the composition of our investment portfolio excluding Closed Block division and Funds Withheld are most relevant to an understanding of our operations that are pertinent to investors in Prudential Financial, Inc. because (1) substantially all Closed Block division assets support obligations and liabilities relating to the Closed Block policies where the economics inure to those participating policies and not to shareholders of the Company's Common Stock and (2) the Funds Withheld assets support liabilities relating to reinsurance agreements where the economic benefits and associated investment risk of the Funds Withheld ultimately inure to the reinsurer. See Notes 15 and 16 to the Consolidated Financial Statements for additional information regarding our material reinsurance agreements and the Closed Block division, respectively.

Fixed Maturity Securities

In the following sections, we provide details about our fixed maturity securities portfolio, which excludes fixed maturity securities classified as assets supporting experience-rated contractholder liabilities and classified as trading.

Fixed Maturity Securities by Contractual Maturity Date

The following table sets forth the breakdown of the amortized cost of our fixed maturity securities portfolio by contractual maturity, as of the date indicated:

	December 31, 2025	
	Amortized Cost	% of Total
	($ in millions)	
Corporate & government securities:		
Maturing in 2026	$ 11,157	3.5 %
Maturing in 2027	14,627	4.6
Maturing in 2028	13,521	4.2
Maturing in 2029	14,687	4.6
Maturing in 2030	16,272	5.1
Maturing in 2031	13,715	4.3
Maturing in 2032	13,225	4.1
Maturing in 2033	8,965	2.8
Maturing in 2034	10,372	3.2
Maturing in 2035	9,925	3.1
Maturing in 2036	5,501	1.7
Maturing in 2037 and beyond	158,744	49.7
Total corporate & government securities	290,711	90.9
Asset-backed securities	17,098	5.4
Commercial mortgage-backed securities	6,813	2.1
Residential mortgage-backed securities	5,103	1.6
Total fixed maturities	$ 319,725	100.0 %

Fixed Maturity Securities by Industry

The following table sets forth the composition of the portion of our fixed maturity, available-for-sale portfolio by industry category and the associated gross unrealized gains and losses, as well as the allowance for credit losses ("ACL"), as of the dates indicated:

Industry(1)	December 31, 2025					December 31, 2024				
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	ACL	Fair Value	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	ACL	Fair Value
	(in millions)									
Corporate securities:										
Finance	$ 47,215	$ 818	$ 2,581	$ 2	$ 45,450	$ 43,697	$ 470	$ 3,614	$ 4	$ 40,549
Consumer non-cyclical	33,622	679	2,752	4	31,545	31,721	420	3,504	33	28,604
Utility	31,576	797	2,405	21	29,947	28,984	421	2,991	18	26,396
Capital goods	21,194	560	1,045	2	20,707	19,444	242	1,561	37	18,088
Consumer cyclical	12,645	384	465	30	12,534	11,955	198	674	81	11,398
Foreign agencies	1,692	25	126	0	1,591	1,838	26	168	0	1,696
Energy	13,336	349	628	8	13,049	12,310	159	894	19	11,556
Communications	6,607	210	487	23	6,307	6,872	169	568	63	6,410
Basic industry	8,021	217	467	20	7,751	7,651	96	619	0	7,128
Transportation	12,704	406	739	19	12,352	11,783	177	1,002	0	10,958
Technology	7,136	168	344	19	6,941	5,554	84	408	14	5,216
Industrial other	5,200	56	795	4	4,457	4,750	30	881	5	3,894
Total corporate securities	200,948	4,669	12,834	152	192,631	186,559	2,492	16,884	274	171,893
Foreign government(2)	61,928	474	12,324	0	50,078	62,880	1,828	7,801	0	56,907
Residential mortgage-backed(3)	5,103	38	149	0	4,992	2,468	14	214	0	2,268
Asset-backed	17,098	214	19	1	17,292	14,664	201	40	0	14,825
Commercial mortgage-backed	6,813	71	192	0	6,692	6,185	22	344	0	5,863
U.S. Government	22,520	655	4,382	0	18,793	21,451	584	4,499	0	17,536
State & Municipal	5,315	131	494	0	4,952	5,965	129	549	0	5,545
Total fixed maturities, available-for-sale	$ 319,725	$ 6,252	$ 30,394	$ 153	$ 295,430	$ 300,172	$ 5,270	$ 30,331	$ 274	$ 274,837

(1) Investment data has been classified based on standard industry categorizations for domestic public holdings and similar classifications by industry for all other holdings.
(2) As of December 31, 2025 and 2024, based on amortized cost, 89% and 90% represent Japanese government bonds held by our Japanese insurance operations, respectively. No other individual country represented more than 6% and more than 5% of the balance as of December 31, 2025 and 2024, respectively.
(3) As of December 31, 2025 and 2024, based on amortized cost, 96% and 93% were rated A or higher, respectively.

The decrease in net unrealized losses from December 31, 2024 to December 31, 2025 was primarily due to the net impact of decreases in U.S. interest rates, partially offset by increases in Japan interest rates.

Fixed Maturity Securities Credit Quality

The Securities Valuation Office ("SVO") of the National Association of Insurance Commissioners ("NAIC") evaluates the investments of insurers for statutory reporting purposes and assigns fixed maturity securities to one of six categories called "NAIC Designations." In general, NAIC Designations of "1" highest quality, or "2" high quality, include fixed maturities considered investment grade, which include securities rated Baa3 or higher by Moody's or BBB- or higher by S&P. NAIC Designations of "3" through "6" generally include fixed maturities referred to as below investment grade, which include securities rated Ba1 or lower by Moody's and BB+ or lower by S&P. The NAIC Designations for commercial mortgage-backed securities and non-agency residential mortgage-backed securities, including our asset-backed securities collateralized by sub-prime mortgages, are based on security level expected losses as modeled by an independent third party (engaged by the NAIC) and the statutory carrying value of the security, including any purchase discounts or impairment charges previously recognized.

As a result of time lags between the funding of investments, the finalization of legal documents, and the completion of the SVO filing process, the fixed maturity portfolio includes certain securities that have not yet been designated by the SVO as of each balance sheet date. Pending receipt of SVO designations, the categorization of these securities by NAIC Designation is based on the expected ratings indicated by internal analysis.

Ratings assigned by nationally recognized rating agencies include S&P, Moody's, Fitch and Morningstar, Inc. ("Morningstar"). Low issue composite rating uses ratings from the major credit rating agencies or, if these are not available, an equivalent internal rating. For securities where the ratings assigned are not equivalent, the second lowest rating is utilized.

Investments of our international insurance companies are not subject to NAIC guidelines. Investments of our Japanese insurance operations are regulated locally by the FSA. The FSA has its own investment quality criteria and risk control standards. Our Japanese insurance companies comply with the FSA's credit quality review and risk monitoring guidelines. The credit quality ratings of the investments of our Japanese insurance companies are based on ratings assigned by nationally recognized credit rating agencies, including Moody's and S&P, or rating equivalents based on ratings assigned by Japanese credit rating agencies.

The following table sets forth our fixed maturity, available-for-sale portfolio by NAIC Designation or equivalent rating, as of the dates indicated:

	December 31, 2025					December 31, 2024				
NAIC Designation(1)(2)	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses(3)	ACL	Fair Value	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses(3)	ACL	Fair Value
	(in millions)									
1	$ 205,414	$ 2,921	$ 24,708	$ 0	$ 183,627	$ 195,449	$ 3,669	$ 22,081	$ 0	$ 177,037
2	94,638	2,684	4,913	0	92,409	87,400	1,287	7,197	0	81,490
Subtotal High or Highest Quality Securities(4)	300,052	5,605	29,621	0	276,036	282,849	4,956	29,278	0	258,527
3	13,186	476	656	19	12,987	11,290	174	856	0	10,608
4	4,448	98	61	22	4,463	3,910	63	131	28	3,814
5	1,708	38	45	51	1,650	1,490	46	46	36	1,454
6	331	35	11	61	294	633	31	20	210	434
Subtotal Other Securities(5)(6)	19,673	647	773	153	19,394	17,323	314	1,053	274	16,310
Total fixed maturities, available-for-sale	$ 319,725	$ 6,252	$ 30,394	$ 153	$ 295,430	$ 300,172	$ 5,270	$ 30,331	$ 274	$ 274,837

(1) Reflects equivalent ratings for investments of the international insurance operations.

(2) As of December 31, 2025 and 2024, 1,482 securities with amortized cost of $9,683 million (fair value, $9,598 million) and 803 securities with amortized cost of $4,147 million (fair value, $3,840 million), respectively, have been categorized based on expected NAIC Designations pending receipt of SVO ratings.

(3) As of December 31, 2025, includes gross unrealized losses of $579 million on public fixed maturities and $194 million on private fixed maturities considered to be other than high or highest quality and, as of December 31, 2024, includes gross unrealized losses of $625 million on public fixed maturities and $428 million on private fixed maturities considered to be other than high or highest quality.

(4) On an amortized cost basis, as of December 31, 2025, includes $230,712 million of public fixed maturities and $69,340 million of private fixed maturities and, as of December 31, 2024, includes $219,914 million of public fixed maturities and $62,935 million of private fixed maturities.

(5) On an amortized cost basis, as of December 31, 2025, includes $7,277 million of public fixed maturities and $12,396 million of private fixed maturities and, as of December 31, 2024, includes $6,706 million of public fixed maturities and $10,617 million of private fixed maturities.

(6) On an amortized cost basis, as of December 31, 2025, securities considered below investment grade based on low issue composite ratings total $16,427 million, or 5% of the total fixed maturities, and include securities considered high or highest quality by the NAIC based on the rules described above.

Asset-Backed and Commercial Mortgage-Backed Securities

The following table sets forth the amortized cost and fair value of asset-backed and commercial mortgage-backed securities within our fixed maturity, available-for-sale portfolio by credit quality, as of the dates indicated:

Low Issue Composite Rating(1)	December 31, 2025				December 31, 2024			
	Asset-Backed Securities(2)		Commercial Mortgage-Backed Securities		Asset-Backed Securities(2)		Commercial Mortgage-Backed Securities	
	Amortized Cost	Fair Value	Amortized Cost	Fair Value	Amortized Cost	Fair Value	Amortized Cost	Fair Value
	(in millions)							
AAA	$ 7,736	$ 7,786	$ 5,422	$ 5,418	$ 7,548	$ 7,624	$ 4,905	$ 4,735
AA	6,562	6,623	1,385	1,268	4,836	4,863	1,271	1,119
A	1,981	2,004	1	1	1,790	1,795	1	1
BBB	703	715	0	0	363	367	0	0
BB and below	116	164	5	5	127	176	8	8
Total(3)	$ 17,098	$ 17,292	$ 6,813	$ 6,692	$ 14,664	$ 14,825	$ 6,185	$ 5,863

(1) The table above provides ratings as assigned by nationally recognized rating agencies as of December 31, 2025 and 2024, including S&P, Moody's, Fitch and Morningstar.
(2) Includes credit-tranched securities collateralized by loan obligations ("CLOs"), home equity loans, auto loans, education loans and other asset types.
(3) Excludes fixed maturity securities classified as "Assets supporting experience-rated contractholder liabilities" and "Fixed maturities, trading."

Included in "Asset-backed securities" above are investments in CLOs. The following table sets forth information pertaining to these investments in CLOs within our fixed maturity, available-for-sale portfolio, as of the dates indicated:

Low Issue Composite Rating(1)	December 31, 2025		December 31, 2024	
	Collateralized Loan Obligations			
	Amortized Cost	Fair Value	Amortized Cost	Fair Value
	(in millions)			
AAA	$ 5,727	$ 5,757	$ 5,811	$ 5,883
AA	5,017	5,076	3,937	3,970
A	35	35	13	13
BBB	26	26	14	14
BB and below	18	18	11	11
Total(2)(3)	$ 10,823	$ 10,912	$ 9,786	$ 9,891

(1) The table above provides ratings as assigned by nationally recognized rating agencies as of December 31, 2025 and 2024, including S&P, Moody's, Fitch and Morningstar.
(2) There was no allowance for credit losses as of both December 31, 2025 and 2024.
(3) Excludes fixed maturity securities classified as "Assets supporting experience-rated contractholder liabilities" and "Fixed maturities, trading."

Assets Supporting Experience-Rated Contractholder Liabilities

For information regarding the composition of "Assets supporting experience-rated contractholder liabilities," see Note 3 to the Consolidated Financial Statements.

Commercial Mortgage and Other Loans

Investment Mix

The following table sets forth the composition of our commercial mortgage and other loans portfolio, as of the dates indicated:

	December 31, 2025	December 31, 2024
	(in millions)	
Commercial mortgage and agricultural property loans	$ 54,198	$ 53,384
Residential mortgage loans	1,632	19
Uncollateralized loans	171	595
Other collateralized loans	591	457
Total recorded investment gross of allowance(1)	56,592	54,455
Allowance for credit losses	(397)	(468)
Total commercial mortgage and other loans, net	$ 56,195	$ 53,987

(1) As a percentage of recorded investment gross of allowance, 99% of these assets were current as of both December 31, 2025 and 2024.

We originate commercial mortgage and agricultural property loans using a dedicated sales and underwriting staff through our various regional offices in the U.S. and international offices primarily in London and Tokyo. All loans are underwritten consistently to our standards using a proprietary quality rating system that has been developed from our industry experience in real estate and mortgage lending.

Residential mortgage loans primarily include fixed-rate, amortizing mortgage loans on rental properties owned by borrowers with FICO scores typically considered prime or above.

Uncollateralized loans primarily represent corporate loans and unsecured consumer loans.

Other collateralized loans include mezzanine real estate debt investments and consumer loans.

Composition of Commercial Mortgage and Agricultural Property Loans

Our commercial mortgage and agricultural property loan portfolio strategy emphasizes diversification by property type and geographic location. The following tables set forth the breakdown of the gross carrying values of commercial mortgage and agricultural property loans by geographic region and property type, as of the dates indicated:

	December 31, 2025		December 31, 2024	
	Gross Carrying Value	% of Total	Gross Carrying Value	% of Total
	($ in millions)			
Commercial mortgage and agricultural property loans by region:				
U.S. Regions(1):				
Pacific	$ 18,633	34.5 %	$ 18,683	35.0 %
South Atlantic	9,241	17.1	8,643	16.2
Middle Atlantic	6,358	11.7	6,192	11.6
East North Central	3,433	6.3	3,090	5.8
West South Central	5,065	9.4	5,428	10.2
Mountain	2,890	5.3	2,845	5.3
New England	1,190	2.2	1,205	2.3
West North Central	497	0.9	520	1.0
East South Central	1,200	2.2	1,122	2.1
Subtotal-U.S.	48,507	89.6	47,728	89.5
Europe	3,701	6.8	3,505	6.5
Mexico	882	1.6	913	1.7
Asia	612	1.1	688	1.3
Other	496	0.9	550	1.0
Total commercial mortgage and agricultural property loans	$ 54,198	100.0 %	$ 53,384	100.0 %

(1) Regions as defined by the United States Census Bureau.

	December 31, 2025		December 31, 2024	
	Gross Carrying Value	% of Total	Gross Carrying Value	% of Total
	($ in millions)			
Commercial mortgage and agricultural property loans by property type:				
Industrial	$ 15,541	28.7 %	$ 15,314	28.7 %
Retail	4,780	8.8	4,547	8.5
Office	5,523	10.2	6,587	12.3
Apartments/Multi-Family	15,781	29.1	15,066	28.2
Agricultural properties	6,959	12.8	6,497	12.2
Hospitality	1,496	2.8	1,603	3.0
Self-Storage(1)	1,889	3.5	1,858	3.5
Health Care Senior Living(1)	1,607	3.0	1,635	3.1
Other	622	1.1	277	0.5
Total commercial mortgage and agricultural property loans	$ 54,198	100.0 %	$ 53,384	100.0 %

(1) Prior period amounts have been updated to conform to current period presentation.

Loan-to-value and debt service coverage ratios are measures commonly used to assess the quality of commercial mortgage and agricultural property loans. The loan-to-value ratio compares the amount of the loan to the fair value of the underlying property collateralizing the loan and is commonly expressed as a percentage. A loan-to-value ratio less than 100% indicates an excess of collateral value over the loan amount. Loan-to-value ratios greater than 100% indicate that the loan amount exceeds the collateral value. The debt service coverage ratio compares a property's net operating income to its debt service payments. Debt service coverage ratios less than 1.0 times indicate that property operations do not generate enough income to cover the loan's current debt payments. A debt service coverage ratio greater than 1.0 times indicates an excess of net operating income over the debt service payments.

As of December 31, 2025, our commercial mortgage and agricultural property loans had a weighted-average debt service coverage ratio of 2.31 times and a weighted-average loan-to-value ratio of 57%. For those commercial mortgage and agricultural property loans that were originated in 2025, the weighted-average debt service coverage ratio was 1.65 times, and the weighted-average loan-to-value ratio was 59%.

The values utilized in calculating these loan-to-value ratios are developed as part of our periodic reviews of the commercial mortgage and agricultural property loan portfolio, which include internal evaluations of the underlying collateral values. Our periodic reviews also include a credit quality re-rating process, whereby we update the internal quality ratings originally assigned at underwriting based on the proprietary quality rating system mentioned above. As discussed below, the internal credit quality rating is a key input in determining our allowance for credit losses.

As of December 31, 2025, 95% of commercial mortgage, agricultural property and residential mortgage loans were fixed rate loans.

For loans with collateral under construction, renovation or lease-up, projected stabilized values and net operating income are used in the calculation of the loan-to-value and debt service coverage ratios. Our commercial mortgage and agricultural property loan portfolio included $2.7 billion and $1.8 billion of such loans as of December 31, 2025 and 2024, respectively. All else being equal, these loans are inherently riskier than those collateralized by properties that have already stabilized. As of both December 31, 2025 and 2024, there were less than $1 million of allowances related to these loans. In addition, these unstabilized loans are included in the calculation of our portfolio reserve, as discussed below.

The following table sets forth the gross carrying value of our commercial mortgage and agricultural property loans by loan-to-value and debt service coverage ratios, as of the date indicated:

Loan-to-Value Ratio	December 31, 2025			
	Debt Service Coverage Ratio			
	≥ 1.2x	1.0x to < 1.2x	< 1.0x	Total Commercial Mortgage and Agricultural Property Loans
	(in millions)			
0%-59.99%	$ 27,975	$ 798	$ 520	$ 29,293
60%-69.99%	13,706	956	213	14,875
70%-79.99%	4,810	270	173	5,253
80% or greater	2,942	312	1,523	4,777
Total commercial mortgage and agricultural property loans	$ 49,433	$ 2,336	$ 2,429	$ 54,198

The following table sets forth the breakdown of our commercial mortgage and agricultural property loans by year of origination, as of the date indicated:

Year of Origination	December 31, 2025	
	Gross Carrying Value	% of Total
	($ in millions)	
2025	$ 6,760	12.4 %
2024	7,366	13.6
2023	5,393	10.0
2022	4,080	7.5
2021	6,596	12.2
2020	2,910	5.4
2019	5,319	9.8
2018 & Prior	15,556	28.7
Revolving Loans	218	0.4
Total commercial mortgage and agricultural property loans	$ 54,198	100.0 %

Commercial Mortgage and Other Loans by Contractual Maturity Date

The following table sets forth the breakdown of our commercial mortgage and other loans portfolio by contractual maturity, as of the date indicated:

Vintage	December 31, 2025 Gross Carrying Value	% of Total
	($ in millions)	
Maturing in 2026	$ 4,953	8.8 %
Maturing in 2027	5,706	10.1
Maturing in 2028	8,856	15.6
Maturing in 2029	8,495	15.0
Maturing in 2030	6,956	12.3
Maturing in 2031	4,612	8.1
Maturing in 2032	3,633	6.4
Maturing in 2033	2,150	3.8
Maturing in 2034	1,529	2.7
Maturing in 2035	2,239	4.0
Maturing in 2036	807	1.4
Maturing in 2037 and beyond	6,656	11.8
Total commercial mortgage and other loans	$ 56,592	100.0 %

Residential Mortgage Loans

Residential mortgage loans primarily include fixed-rate, amortizing mortgage loans on rental properties owned by borrowers with FICO scores typically considered prime or above. The primary credit quality indicator is whether a loan is performing or nonperforming. The Company defines nonperforming residential mortgage loans as those that are 90 days or more past due and/or in nonaccrual status.

All of the loans are currently performing.

Commercial Mortgage and Other Loans Quality

The commercial mortgage and other loans portfolio is monitored on an ongoing basis. If certain criteria are met, loans are assigned to either of the following “watch list” categories:

(1) “Closely Monitored,” which includes a variety of considerations, such as when loan metrics fall below acceptable levels, the borrower is not cooperative or has requested a material modification, or the portfolio manager has directed a change in category; or

(2) “Not in Good Standing,” which includes loans in default or with a high probability of loss of principal, such as when the loan is in the process of foreclosure or the borrower is in bankruptcy.

Our workout and special servicing professionals manage the loans on the watch list.

The current expected credit loss (“CECL”) allowance represents the Company’s best estimate of expected credit losses over the remaining life of the assets. The determination of the allowance considers historical credit loss experience, current conditions, and reasonable and supportable forecasts. The allowance is calculated separately for commercial mortgage loans, agricultural property loans, residential mortgage loans, uncollateralized loans and other collateralized loans.

For commercial mortgage and agricultural property loans, the allowance is calculated using an internally developed CECL model.

Key inputs to the CECL model include unpaid principal balances, internal credit ratings, annual expected loss factors, average lives of the loans adjusted for prepayment considerations, current and historical interest rate assumptions and other factors influencing the Company’s view of the current stage of the economic cycle and future economic conditions. Subjective considerations include a review of whether historical loss experience is representative of current market conditions and the Company’s view of the credit cycle. Model assumptions and factors are reviewed and updated as appropriate.

When individual loans no longer have the credit risk characteristics of the commercial mortgage or agricultural property loan pools, they are removed from the pools and are evaluated individually for an allowance. The allowance is determined based on the outstanding loan balance less the present value of expected future cash flows discounted at the loan's effective interest rate or the fair value of the collateral if the loan is collateral dependent.

For residential mortgage loans, the CECL calculation pools together loans that share similar risk characteristics. The estimated lifetime loss of the pool is calculated from the risk profiles of the loans, including borrower credit score, loan-to-value ratio, property type, and several key attributes of the loan and property including: loan type, loan age, loan performance history, and current performing or nonperforming status. Estimated lifetime loss rates are calculated by weighting projected losses in multiple economic scenarios based on the Company's view of the current stage of the economic cycle and future economic conditions. The scenario losses are calibrated to industry historical experience of defaults, loss severities, and prepayment rates in multiple economic cycles, reflective of similar loan characteristics. When individual loans become nonperforming, the allowance is determined based on annual expected loss rates for nonperforming loans or the fair value of the collateral if the loan is collateral dependent. The Company defines nonperforming residential mortgage loans as those that are 90 days or more past due and/or in nonaccrual status.

The CECL allowance for other collateralized and uncollateralized loans carried at amortized cost is determined based on probability of default and loss given default assumptions by sector, credit quality and average lives of the loans.

The following table sets forth the balance of and change in allowance for credit losses for our commercial mortgage and other loans portfolio, as of the dates indicated:

	December 31, 2025	December 31, 2024
	(in millions)	
Allowance, beginning of year	$ 468	$ 372
Addition to (release of) allowance for credit losses	133	207
Write-downs charged against the allowance	(205)	(107)
Other	1	(4)
Allowance, end of year	$ 397	$ 468

The allowance for credit losses as of December 31, 2025 decreased in comparison to December 31, 2024, primarily related to write-downs against loan-specific reserves within agricultural property loans and commercial mortgage loans in the retail sector, partially offset by an increase in loan-specific reserves within the retail sector.

Equity Securities

The equity securities portfolio consists principally of investments in common and preferred stock of publicly-traded companies, as well as mutual fund shares. The following table sets forth the composition of our equity securities portfolio and the associated gross unrealized gains and losses, as of the dates indicated:

	December 31, 2025				December 31, 2024			
	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
	(in millions)							
Mutual funds	$ 1,464	$ 1,248	$ 7	$ 2,705	$ 903	$ 1,010	$ 9	$ 1,904
Other common stocks	5,486	737	92	6,131	4,728	684	122	5,290
Non-redeemable preferred stocks	68	36	18	86	43	36	19	60
Total equity securities, at fair value	$ 7,018	$ 2,021	$ 117	$ 8,922	$ 5,674	$ 1,730	$ 150	$ 7,254

The net change in unrealized gains (losses) from equity securities still held at period end, recorded within "Other income (loss)," was $483 million and $475 million during the years ended December 31, 2025 and 2024, respectively.

Other Invested Assets

The following table sets forth the composition of "Other invested assets," as of the dates indicated:

	December 31, 2025	December 31, 2024
	(in millions)	
LPs/LLCs:		
Equity method:		
Private equity	$ 7,400	$ 7,535
Hedge funds	2,139	2,339
Real estate-related	1,591	1,586
Subtotal equity method	11,130	11,460
Fair value:		
Private equity	577	728
Hedge funds	1,197	1,308
Real estate-related	434	423
Subtotal fair value	2,208	2,459
Total LPs/LLCs	13,338	13,919
Real estate held through direct ownership(1)	1,572	1,426
Total alternative assets	14,910	15,345
Credit-like instruments(2)	1,777	933
Derivative instruments	60	(438)
Other(3)	937	941
Total other invested assets	$ 17,684	$ 16,781

The following table presents a reconciliation of "Total alternative assets" included in the table above to the "Total alternative assets of operating businesses":

	December 31, 2025	December 31, 2024
	(in millions)	
Total alternative assets	$ 14,910	$ 15,345
Less: Divested Businesses(4)	(824)	(799)
Less: Interests held by unaffiliated investors(5)	(1,393)	(1,209)
Total alternative assets of operating businesses	$ 12,693	$ 13,337

(1) As of December 31, 2025 and 2024, investment real estate held through direct ownership had mortgage debt of $217 million and $185 million, respectively.
(2) Includes structured debt investments in feeder funds that are consolidated, resulting in the Company reporting the consolidated feeder funds' proportionate share of the net assets of the master fund within "Other invested assets." As of December 31, 2025 and 2024, interests held by unaffiliated investors that have been consolidated into the Consolidated Statements of Financial Position were $283 million and $45 million, respectively.
(3) Primarily includes equity investments accounted for under the measurement alternative, tax advantaged investments, leveraged leases and member and activity stock held in the Federal Home Loan Bank of New York. For additional information regarding our holdings in the Federal Home Loan Bank of New York, see Note 18 to the Consolidated Financial Statements.
(4) As of December 31, 2025 and 2024, interests held by Divested Businesses include private equity of $521 million and $520 million, hedge funds of $145 million and $117 million, real estate related of $154 million and $156 million, and investment real estate held through direct ownership of $4 million and $6 million, respectively.
(5) As of December 31, 2025 and 2024, interests held by unaffiliated investors that have been consolidated into the Consolidated Statements of Financial Position include, investment real estate held through direct ownership of $923 million and $741 million, hedge funds of $160 million and $177 million and real estate related of $310 million and $291 million, respectively.

Invested Assets of Other Entities and Operations

"Invested Assets of Other Entities and Operations" presented below includes investments held outside the general account and primarily represents investments associated with our investment management operations and derivative operations. Our derivative operations act on behalf of affiliates primarily to manage interest rate, foreign currency, credit and equity exposures. Assets within our investment management operations that are managed for third parties and those assets classified as "Separate account assets" on our Consolidated Statements of Financial Position are not included.

	December 31, 2025	December 31, 2024
	(in millions)	
Fixed maturities:		
Public, available-for-sale, at fair value(1)	$ 162	$ 368
Private, available-for-sale, at fair value	188	5
Fixed maturities, trading, at fair value(1)	421	83
Equity securities, at fair value	457	521
Commercial mortgage and other loans, at fair value	794	469
Other invested assets	3,228	2,774
Short-term investments	10	13
Total investments	$ 5,260	$ 4,233

(1) As of December 31, 2025 and 2024, balances include investments in CLOs with fair value of $76 million and $224 million, respectively.

Fixed Maturities, Trading

"Fixed maturities, trading, at fair value" is primarily related to assets associated with consolidated variable interest entities ("VIEs") for which the Company is the investment manager. The assets of the consolidated VIEs are generally offset by liabilities for which the fair value option has been elected. For additional information regarding these consolidated VIEs, see Note 4 to the Consolidated Financial Statements.

Commercial Mortgage and Other Loans

Our investment management operations include our commercial mortgage operations, which provide mortgage origination, investment management and servicing for our general account, institutional clients, the Federal Housing Administration and government-sponsored entities such as Fannie Mae and Freddie Mac.

The mortgage loans of our commercial mortgage operations are included in "Commercial mortgage and other loans." Derivatives and other hedging instruments related to our commercial mortgage operations are primarily included in "Other invested assets."

Other Invested Assets

"Other invested assets" primarily include assets of our derivative operations used to manage interest rate, foreign currency, credit, and equity exposures.

Furthermore, other invested assets include strategic investments made as part of our investment management operations. We make these strategic investments in real estate, as well as fixed income, public equity and real estate securities, including controlling interests. Certain of these investments are made primarily for purposes of co-investment in our managed funds and structured products. Other strategic investments are made with the intention to sell or syndicate to investors, including our general account, or for placement in funds and structured products that we offer and manage (seed investments). As part of our investment management operations, we also make loans to our managed funds that are secured by equity commitments from investors or assets of the funds. "Other invested assets" also includes certain assets in consolidated investment funds where the Company is deemed to exercise control over the funds.

Valuation of Assets and Liabilities

Fair Value of Assets and Liabilities

The authoritative guidance related to fair value measurement establishes a framework that includes a three-level hierarchy used to classify the inputs used in measuring fair value. The level in the hierarchy within which the fair value falls is determined based on the lowest level input that is significant to the measurement. The fair values of assets and liabilities classified as Level 3 include at least one significant unobservable input in the measurement. See Note 6 to the Consolidated Financial Statements for an additional description of the valuation hierarchy levels as well as for the balances of assets and liabilities measured at fair value on a recurring basis by hierarchy level presented on a consolidated basis.

The table below presents the balances of assets and liabilities measured at fair value on a recurring basis, as of the dates indicated, and the portion of such assets and liabilities that are classified in Level 3 of the valuation hierarchy. The table also provides details about these assets and liabilities excluding those held in the Closed Block division and Funds Withheld portfolios. We believe the amounts excluding the Closed Block division and Funds Withheld are most relevant to an understanding of our operations that are pertinent to investors in Prudential Financial Inc. because (1) substantially all Closed Block division assets support obligations and liabilities relating to the Closed Block policies where the economics inure to those participating policies and not to shareholders of the Company's common stock and (2) the Funds Withheld assets support liabilities relating to reinsurance agreements where the economic benefits and associated investment risk of the Funds Withheld assets ultimately inure to the reinsurer. See Notes 15 and 16 to the Consolidated Financial Statements for additional information regarding our material reinsurance agreements and the Closed Block, respectively.

	December 31, 2025					
	PFI excluding Closed Block Division and Funds Withheld		Closed Block Division		Funds Withheld	
	Total at Fair Value	Total Level 3(1)	Total at Fair Value	Total Level 3(1)	Total at Fair Value	Total Level 3(1)
	(in millions)					
Fixed maturities, available-for-sale	$ 295,781	$ 10,802	$ 28,882	$ 1,073	$ 6,792	$ 123
Assets supporting experience-rated contractholder liabilities:						
Fixed maturities	896	0	0	0	0	0
Equity securities	3,946	0	0	0	0	0
All other(2)	0	0	0	0	0	0
Subtotal	4,842	0	0	0	0	0
Market risk benefit assets	2,330	2,330	0	0	0	0
Fixed maturities, trading	5,239	480	581	17	9,049	1,816
Equity securities	9,379	577	1,593	49	0	0
Commercial mortgage and other loans	793	0	0	0	263	263
Other invested assets(3)	2,728	1,087	1	1	31	0
Short-term investments	5,551	1	158	0	72	0
Cash equivalents	11,685	0	737	0	416	0
Reinsurance recoverables and deposit receivables	(50)	0	0	0	623	367
Separate account assets	168,745	211	0	0	0	0
Total assets	$ 507,023	$ 15,488	$ 31,952	$ 1,140	$ 17,246	$ 2,569
Market risk benefit liabilities	$ 4,623	$ 4,623	$ 0	$ 0	$ 0	$ 0
Policyholders' account balances	18,799	18,799	0	0	0	0
Reinsurance and funds withheld payables	(20)	0	0	0	194	0
Other liabilities(3)	6,211	0	0	0	4	0
Notes issued by consolidated variable interest entities ("VIEs")	767	767	0	0	0	0
Total liabilities	$ 30,380	$ 24,189	$ 0	$ 0	$ 198	$ 0

	December 31, 2024					
	PFI excluding Closed Block Division and Funds Withheld		Closed Block Division		Funds Withheld	
	Total at Fair Value	Total Level 3(1)	Total at Fair Value	Total Level 3(1)	Total at Fair Value	Total Level 3(1)
	(in millions)					
Fixed maturities, available-for-sale	$ 275,210	$ 6,712	$ 28,728	$ 914	$ 7,632	$ 551
Assets supporting experience-rated contractholder liabilities:						
Fixed maturities	826	0	0	0	0	0
Equity securities	2,881	0	0	0	0	0
All other(2)	0	0	0	0	0	0
Subtotal	3,707	0	0	0	0	0
Market risk benefit assets	2,331	2,331	0	0	0	0
Fixed maturities, trading	4,151	467	647	15	7,732	1,504
Equity securities	7,776	479	1,641	39	0	0
Commercial mortgage and other loans	469	0	0	0	233	233
Other invested assets(3)	2,526	952	2	1	25	0
Short-term investments	8,091	383	460	76	44	2
Cash equivalents	10,144	0	346	0	201	0
Reinsurance recoverables and deposit receivables	(75)	0	0	0	924	613
Separate account assets	166,672	232	0	0	0	0
Total assets	$ 481,002	$ 11,556	$ 31,824	$ 1,045	$ 16,791	$ 2,903
Market risk benefit liabilities	$ 4,455	$ 4,455	$ 0	$ 0	$ 0	$ 0
Policyholders' account balances	12,746	12,746	0	0	0	0
Reinsurance and funds withheld payables	(27)	0	0	0	(91)	0
Other liabilities(3)	4,749	1	0	0	2	0
Notes issued by consolidated variable interest entities ("VIEs")	60	60	0	0	0	0
Total liabilities	$ 21,983	$ 17,262	$ 0	$ 0	$ (89)	$ 0

(1) Level 3 assets expressed as a percentage of total assets measured at fair value on a recurring basis for PFI excluding Closed Block division and Funds Withheld, Closed Block division and Funds Withheld totaled 3.1%, 3.6% and 14.9%, respectively, as of December 31, 2025 and 2.4%, 3.3% and 17.3%, respectively, as of December 31, 2024.
(2) "All other" represents cash equivalents and short-term investments.
(3) "Other invested assets" and "Other liabilities" primarily include derivatives. The amounts include the impact of netting subject to master netting agreements.

The determination of fair value, which for certain assets and liabilities is dependent on the application of estimates and assumptions, can have a significant impact on our results of operations and may require the application of a greater degree of judgment depending on market conditions, as the ability to value assets and liabilities can be significantly impacted by a decrease in market activity or a lack of transactions executed in an orderly manner.

Fixed maturity securities included in Level 3 in our fair value hierarchy are generally priced based on internally-developed valuations or indicative broker quotes. For certain private fixed maturity and equity securities, the internal valuation models use significant unobservable inputs and, accordingly, such securities are included in Level 3 in our fair value hierarchy. Level 3 fixed maturity securities for PFI excluding the Closed Block division and Funds Withheld included approximately $1,496 million of public fixed maturities as of December 31, 2025, with values primarily based on indicative broker quotes, and approximately $11,723 million of private fixed maturities, with values primarily based on internally-developed models. Significant unobservable inputs used in their valuation included: issue specific spread adjustments, material non-public financial information, management judgment, estimation of future earnings and cash flows, default rate assumptions, liquidity assumptions and indicative quotes from market makers. Separate account assets included in Level 3 in our fair value hierarchy primarily include corporate securities and commercial mortgage loans.

Contracts or contract features reported in "Market risk benefit assets" and "Market risk benefit liabilities" and embedded derivatives reported in "Policyholders' account balances" that are included in Level 3 of our fair value hierarchy represent

general account assets and liabilities pertaining to living benefit features of the Company's variable annuity contracts and the index-linked interest credited features on certain life and annuity products. "Market risk benefit assets" and "Market risk benefit liabilities" are carried at fair value with changes in fair value included in "Change in value of market risk benefits, net of related hedging gains (losses)" except for the portion of the change attributable to changes in the Company's NPR that is recorded in OCI. Embedded derivatives included in "Policyholders' account balances" are carried at fair value with changes in fair value included in "Realized investment gains (losses), net." These assets and liabilities are valued using internally-developed models that require significant estimates and assumptions developed by management. Changes in these estimates and assumptions can have a significant impact on the results of our operations.

For additional information regarding the valuation techniques and the key estimates and assumptions used in our determination of fair value, see Note 6 to the Consolidated Financial Statements.

Income Taxes

The effective tax rate is the ratio of "Total income tax expense (benefit)" divided by "Income before income taxes and equity in earnings of joint ventures and other operating entities." Our effective tax rate for fiscal years 2025, 2024 and 2023 was 22.6%, 15.8% and 20.0%, respectively. For a reconciliation of the effective tax rate and detailed description of the nature of each significant reconciling item, see Note 17 to the Consolidated Financial Statements.

Unrecognized Tax Benefits

The Company's liability for income taxes includes the liability for unrecognized tax benefits and interest that relate to tax years still subject to review by the Internal Revenue Service or other taxing authorities. The completion of review or the expiration of the U.S. Federal statute of limitations for a given audit period could result in an adjustment to the liability for income taxes. The total unrecognized benefit as of December 31, 2025, 2024 and 2023 was $125 million, $132 million and $133 million, respectively.

Income Tax Expense vs. Income Tax Paid in Cash

Income tax expense recorded under U.S. GAAP routinely differs from the income taxes paid in cash in any given year. Income tax expense recorded under U.S. GAAP is based on income reported in our Consolidated Statements of Operations for the current period and it includes both current and deferred taxes. Income taxes paid during the year include tax installments made for the current year as well as tax payments and refunds related to prior periods.

Risk Management

Overview

We employ a risk governance structure, overseen by senior management and our Board and managed by Risk Management, to provide a common framework for: evaluating the risks embedded in and across our businesses and corporate centers; developing risk appetites; managing these risks; and identifying current and future risk challenges and opportunities. For a discussion of the risks of our businesses, see "Risk Factors."

Risk Governance Framework

Prudential uses a Three Lines of Defense model of risk management in which the businesses are the primary, or first line, responsible for understanding, assessing, and taking steps to mitigate and manage risk. Each business has a risk governance structure that is supported by a common framework at the enterprise level.

While having different roles, responsibilities, and scope, Risk Management and Compliance together act as the second line, further strengthening Prudential's management of risk by providing effective challenge, and oversight of management activities and testing and assessing the effectiveness of first line controls. Risk Management, led by the Chief Risk Officer, oversees these risks under the guidance of the Executive Risk Committee ("ERC") and Enterprise Risk Management Council ("ERMC"). Additionally, Risk Management works with Prudential's businesses and corporate functions to identify, monitor and manage risks that Prudential may face.

The Audit Department acts as the third line of defense through monitoring and testing to assure that the other lines of defense (first in the business and second in Risk and Compliance) are well-designed and operating as intended. Processes are

optimized across Prudential's Three Lines of Defense to strengthen how risk management is performed across the Prudential enterprise while continuing to fulfill the individual mandates of each of the three control functions.

Board of Directors Oversight

Our Board oversees our risk profile and management's processes for assessing and managing risk, through both the whole Board and its committees. The Board also reviews strategic risks and opportunities facing the Company and its businesses. Other important categories of risk are assigned to designated Board committees that report back to the full Board. In general, the committees oversee the following risks:

- Audit Committee: insurance risk, operational risk, and model risk, as well as risks related to financial controls, legal, regulatory, cyber security and compliance risk;
- Compensation and Human Capital Committee: strategy, reputation and risks regarding human capital management throughout our global businesses; and oversee the assessment of the risks related to the Company's succession planning, compensation policies and programs applicable to officers and employees, including the review of the assessment results;
- Corporate Governance and Business Ethics Committee: the Company's overall ethical culture, political contributions, lobbying expenses and overall political strategy, as well as the Company's environmental risk (which includes climate risk), sustainability and corporate social responsibility to minimize reputational risk and focus on future sustainability;
- Finance Committee: liquidity risk, risk involving our capital management, the incurrence and repayment of borrowings, the capital structure of the Company, funding of benefit plans and statutory insurance reserves, oversight of Own Risk and Solvency Assessment ("ORSA") and the Company's Risk Appetite Framework. The Finance Committee oversees our capital plan and receives regular updates on the sources and uses of capital relative to plan; and
- Investment Committee: investment risk, market risk, and review of investment performance and risk positions. The Investment Committee approves investment and market risk limits based on asset class, issuer, credit quality and geography.

Management Oversight

Our primary risk management committee is the ERC. The ERC is chaired by our Chief Risk Officer and otherwise consists of the Head of U.S. Businesses, Chief Executive Officer of PGIM, Treasurer and Head of Capital Solutions, General Counsel and Head of Corporate Affairs, Chief Financial Officer, Chief Investment Officer, Head of Global Technology and Operations, and Chief Actuary. Our Chief Auditor also attends meetings of the ERC. The ERC oversees the Company's risk management framework, including the identification, assessment, monitoring and management of risks and how those risks align with the Company's loss absorption resources. The primary focus of the ERC is the critical analysis of significant quantitative and qualitative risks and the appropriateness and alignment of those risks to the defined risk appetite of the Company.

The ERC is supported by the ERMC, which is also chaired by our Chief Risk Officer and provides a forum for corporate and functional leaders and technical subject matter experts to review and advise decision makers on financial and non-financial risk matters that are of Enterprise significance, providing transparency into the Company's overall risk profile, assumptions and methodologies used to measure risk exposure and strategies and practices for mitigating risks.

In addition, each of our businesses and corporate functions have forums for leaders to identify, assess, and monitor risk and exposure issues and to review new business activities and initiatives.

Risk Management Oversight

Risk Management manages the risk management framework. The function operates independently and is responsible for recommending policies, limits and standards for all risks. Risk Management oversees these risks under the guidance of the ERC and ERMC. Additionally, Risk Management works with our businesses and corporate areas to identify, monitor and manage risks. The Risk Management infrastructure is generally aligned by risk type (investment, market, liquidity, insurance, model, and operational), with certain groups within Risk Management working across risk types.

Risk Identification

Prudential relies on a combination of activities to ensure that all material risks have been identified and managed as appropriate. The Company conducts risk identification through several processes at the business unit, corporate, senior

management, and Board levels to provide a "top-down" and "bottom-up" three-dimensional view of risk. Prudential has developed a comprehensive understanding of the risks to its business, both financial and non-financial, and their interdependencies. A risk can have an impact at the product, business, and enterprise levels, and all these considerations and their range of outcomes through a variety of stresses are the focus of Risk Management as well as the enterprise.

- Business Activities: Each business has a forum that allows senior leaders to discuss and evaluate current, new, and emerging risks in their own operations. Businesses are accountable for identifying and managing top risks through the risk governance structure.
- Corporate Function Activities: The corporate functions review the results of the business activities and examine risks from an enterprise view across businesses under normal and stressed conditions. As a result, the corporate functions, particularly Risk Management, use several processes and activities to identify and assess the risks of the Company. Corporate functions manage key risks and initiatives through existing senior leadership team structures.
- Senior Management and the Board: Senior management plays a critical role in reviewing the risk profile of the Company, including identifying impacts to the business strategy and risks in any new strategies under consideration. These risks are discussed with the ERC as appropriate, and with the Board if significant. As discussed above, the Board oversees the Company's risk profile and management's processes for assessing and managing risk, both as a full Board and through its committees.

Risk Measurement and Monitoring

Our Risk Appetite Framework is a comprehensive process designed to reasonably ensure that risks taken across the Company align with the Company's capacity and willingness to take those risks. Using the Risk Appetite Framework, the Company measures, evaluates, and manages its financial risks. The comprehensive models, metrics, and stress scenarios used enable the Company to understand its current risk profile as well as how the risk profile may change over time through varying degrees of stress. The Risk Appetite Framework anchors the risk and capital management processes and supports management and the Board in making well-informed business decisions.

The Risk Appetite Framework is centered around a comprehensive and cohesive stress testing regime which includes a variety of stress scenarios designed to explore outcomes across businesses. This robust stress testing examines the sensitivity of assets and liabilities and how they interact through time to identify places where the Company's capacity may be challenged by the risks taken. These analytics provide insight into the impact of stress scenarios on capital and liquidity.

Additionally, the Risk Appetite Framework contains qualitative risk appetite statements that help the Company understand and manage risks that are not easily quantifiable.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Market Risk

Market risk is defined as the risk of loss from changes in interest rates, equity prices and foreign currency exchange rates resulting from asset/liability mismatches where the change in the value of our liabilities is not offset by the change in value of our assets.

For additional information regarding the potential impacts of interest rate and other market fluctuations, as well as general economic and market conditions on our businesses and profitability, see "Item 1A. Risk Factors" above. For additional information regarding the overall management of our general account investments and our asset mix strategies, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—General Account Investments—Management of Investments" above. For additional information regarding our liquidity and capital resources, which may be impacted by changing market risks, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources" above.

Market Risk Management

Management of market risk, which we consider to be a combination of both investment risk and market risk exposures, includes the identification and measurement of various forms of risk, the establishment of risk thresholds and the creation of processes intended to maintain risks within these thresholds while optimizing returns on the underlying assets or liabilities.

Our risk management process utilizes a variety of tools and techniques, including:

- Measures of price sensitivity to market changes (e.g., interest rates, equity index prices, foreign exchange);
- Asset/liability management;
- Stress scenario testing;
- Hedging programs; and
- Risk management governance, including policies, limits, and a committee that oversees investment and market risk.

For additional information regarding our overall risk management framework and governance structure, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Risk Management" above.

Market Risk Mitigation

Risk mitigation takes three primary forms:

- Asset/Liability Management: Managing assets to liability-based measures. For example, investment policies identify target durations for assets based on liability characteristics and asset portfolios are managed within ranges around them. This mitigates potential unanticipated economic losses from interest rate movements.
- Hedging: Using derivatives to offset risk exposures. For example, for our variable annuities business, potential living benefit claims resulting from more severe market conditions are hedged using derivative instruments.
- Management of portfolio concentration risk. For example, ongoing monitoring and management at the enterprise level of key rate, currency and other concentration risks support diversification efforts to mitigate exposure to individual markets and sources of risk.

Market Risk Related to Interest Rates

We perform liability-driven investing and engage in careful asset/liability management. Asset/liability mismatches create the risk that changes in liability values will differ from the changes in the value of the related assets. Additionally, changes in interest rates may impact other items including, but not limited to, the following:

- Net investment spread between the amounts that we are required to pay and the rate of return we are able to earn on investments for certain products supported by general account investments;
- Asset-based fees earned on assets under management or contractholder account values;
- Net exposure to the guarantees provided under certain products; and
- Capital levels of our regulated entities.

We use duration and convexity analyses to measure price sensitivity to interest rate changes. Duration measures the relative sensitivity of the fair value of a financial instrument to changes in interest rates. Convexity measures the rate of change in duration with respect to changes in interest rates. We use asset/liability management and derivative strategies to manage our interest rate exposure by legal entity by matching the relative sensitivity of asset and liability values to interest rate changes, or by controlling the "duration mismatch" of assets and liability duration targets. In certain markets, capital market limitations that hinder our ability to acquire assets that approximate the duration of some of our liabilities are considered in setting duration targets. We consider risk-based capital and tax implications as well as current market conditions in our asset/liability management strategies.

We assess the impact of interest rate movements on the value of our financial assets, financial liabilities and derivatives using hypothetical test scenarios that assume either upward or downward 100 basis point parallel shifts in the yield curve from prevailing interest rates, reflecting changes in either credit spreads or the risk-free rate. The following table sets forth the net estimated potential loss in fair value on these financial instruments from a hypothetical 100 basis point upward shift as of December 31, 2025 and 2024. This table is presented on a gross basis and excludes offsetting impacts to certain insurance liabilities that are not considered financial liabilities under U.S. GAAP. This scenario results in the greatest net exposure to interest rate risk of the hypothetical scenarios tested at those dates. While the test scenario is for illustrative purposes only and does not reflect our expectations regarding future interest rates or the performance of fixed income markets, it is a near-term, reasonably possible hypothetical change that illustrates the potential impact of such events. These test scenarios do not measure the changes in value that could result from non-parallel shifts in the yield curve which we would expect to produce different changes in discount rates for different maturities. As a result, the actual loss in fair value from a 100 basis point change in interest rates could be different from that indicated by these calculations. The estimated changes in fair values do not include separate account assets.

	As of December 31, 2025			As of December 31, 2024		
	Notional	Fair Value	Hypothetical Change in Fair Value	Notional	Fair Value	Hypothetical Change in Fair Value
			(in millions)			
Financial assets with interest rate risk(1):						
Fixed maturities(2)		$ 331,379	$ (25,936)		$ 309,562	$ (26,593)
Commercial mortgage and other loans		63,971	(2,242)		58,932	(2,148)
Derivatives with interest rate risk:						
Swaps	$ 312,751	(12,761)	(1,144)	$ 285,786	(11,014)	(2,428)
Futures	13,112	(18)	(468)	11,792	(16)	(369)
Options	231,936	(59)	253	139,693	(436)	20
Forwards	42,729	(203)	(275)	35,144	268	(112)
Synthetic GICs	75,883	0	0	76,416	0	(1)
Indexed universal life contracts		(2,295)	363		(1,434)	179
Indexed annuity contracts		(16,504)	158		(11,312)	137
Total embedded derivatives(3)		(18,799)	521		(12,746)	316
Financial liabilities with interest rate risk(4):						
Short-term and long-term debt		19,794	2,653		19,092	2,730
Policyholders' account balances—investment contracts		85,107	3,418		74,871	3,048
Insurance liabilities with interest rate risk:						
Benefit reserves (traditional and limited-payment contracts) (5)		183,428	19,427		186,845	21,294
Market risk benefits(6)		2,293	1,317		2,124	1,602
Net estimated potential loss			$ (2,476)			$ (2,641)

(1) Excludes financial assets that are considered Funds Withheld, where the economic benefits and investment risk associated with the Funds Withheld assets ultimately inure to the reinsurer.
(2) Includes assets classified as "Fixed maturities, available-for-sale, at fair value," "Assets supporting experience-rated contractholder liabilities, at fair value" and "Fixed maturities, trading, at fair value." Approximately $325 billion and $304 billion as of December 31, 2025 and 2024, respectively, of fixed maturities are classified as available-for-sale. Changes in fair value of fixed maturities classified as available-for-sale are included in AOCI.
(3) Excludes any offsetting impact of derivative instruments purchased to hedge changes in the embedded derivatives. Amounts reported net of third-party reinsurance.
(4) Excludes approximately $185 billion and $169 billion as of December 31, 2025 and 2024, respectively, of certain insurance reserve and deposit liabilities that are not considered financial liabilities. We believe that the interest rate sensitivities of these insurance liabilities would serve as an offset to the net interest rate risk of the financial assets and liabilities, including investment contracts.
(5) Changes in fair value of benefit reserves (traditional and limited-payment contracts) are included in AOCI.
(6) Amounts reported net of third-party reinsurance.

Under U.S. GAAP, the fair value of the MRBs and embedded derivatives for certain features associated with indexed universal life and indexed annuity contracts, reflected in the table above, includes the impact of the market's perception of our NPR. For additional information regarding the key estimates and assumptions used in our determination of fair value, including NPR, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Accounting Policies & Pronouncements—Application of Critical Accounting Estimates—Market Risk Benefits ("MRBs")" above.

For an additional discussion of our variable annuity optional living benefit guarantees accounted for as MRBs and related derivatives used to hedge the changes in fair value of these MRBs, see "Market Risk Related to Certain Variable Annuity Products" below. For information regarding the impacts of changes in the interest rate environment, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—External and Economic Factors—Impact of Changes in the Interest Rate Environment" above.

Market Risk Related to Equity Prices

We have exposure to equity risk through asset/liability mismatches, including our investments in equity securities held in our general account investment portfolio and unhedged exposure in our insurance liabilities, principally related to certain variable annuity living benefit feature MRBs. Our equity-based derivatives primarily hedge the equity risk embedded in these living benefit feature MRBs. Changes in equity prices create risk that the resulting changes in asset values will differ from the changes in the value of the liabilities relating to the underlying or hedged products. Additionally, changes in equity prices may impact other items including, but not limited to, the following:

- Asset-based fees earned on assets under management or contractholder account value; and
- Net exposure to the guarantees provided under certain products.

We manage equity price risk against benchmarks in respective markets. We benchmark our return on equity holdings against a blend of market indices, mainly the S&P 500 and Russell 2000 for U.S. equities. We benchmark foreign equities against the Tokyo Price Index, and the MSCI EAFE, a market index which captures large and mid cap representation across developed markets around the world, excluding the U.S. and Canada. We target price sensitivities that approximate those of the benchmark indices.

We estimate our equity risk from a hypothetical 10% decline in equity benchmark market levels. The following table sets forth the net estimated potential loss in fair value from such a decline as of December 31, 2025 and 2024. While these scenarios are for illustrative purposes only and do not reflect our expectations regarding future performance of equity markets or of our equity portfolio, they represent near-term reasonably possible hypothetical changes that illustrate the potential impact of such events. These scenarios consider only the direct impact on fair value of declines in equity benchmark market levels and not changes in asset-based fees recognized as revenue, or changes in assumptions such as market volatility or mortality, utilization or persistency rates in our variable annuity contracts that could also impact the fair value of our living benefit features. In addition, these scenarios do not reflect the impact of basis risk, such as potential differences in the performance of the investment funds underlying the variable annuity products relative to the market indices we use as a basis for developing our hedging strategy. The impact of basis risk could result in larger differences between the change in fair value of the equity-based derivatives and the related living benefit features in comparison to these scenarios. In calculating these amounts, we exclude separate account equity securities.

	As of December 31, 2025			As of December 31, 2024		
	Notional	Fair Value	Hypothetical Change in Fair Value	Notional	Fair Value	Hypothetical Change in Fair Value
			(in millions)			
Equity securities(1)		$ 14,918	$ (1,492)		$ 12,298	$ (1,230)
Equity-based derivatives(2)	$ 216,667	1,393	(2,532)	$ 116,253	720	(1,538)
Indexed universal life contracts		(2,295)	55		(1,434)	23
Indexed annuity contracts		(16,504)	3,033		(11,312)	2,278
Total embedded derivatives(2)(3)		(18,799)	3,088		(12,746)	2,301
Market risk benefits(4)		2,293	(737)		2,124	(848)
Net estimated potential loss			$ (1,673)			$ (1,315)

(1) Includes equity securities classified as "Assets supporting experience-rated contractholder liabilities" and "Equity securities, at fair value."

(2) The notional and fair value of equity-based derivatives and the fair value of embedded derivatives are also reflected in amounts under "Market Risk Related to Interest Rates" above, and are not cumulative.
(3) Excludes any offsetting impact of derivative instruments purchased to hedge changes in the embedded derivatives. Amounts reported net of third-party reinsurance.
(4) Amounts reported net of third-party reinsurance.

Market Risk Related to Foreign Currency Exchange Rates

As a U.S.-based company with significant business operations outside of the U.S., particularly in Japan, we are exposed to foreign currency exchange rate risk related to these operations, as well as in our general account investment portfolio and other proprietary investment portfolios.

For our international insurance operations, changes in foreign currency exchange rates create risk that we may experience volatility in the USD-equivalent earnings and equity of these operations. We actively manage this risk through various hedging strategies, including the use of foreign currency hedges and through holding USD-denominated securities in the investment portfolios of certain of these operations. Additionally, our Japanese insurance operations offer a variety of non-yen denominated products which are supported by investments in corresponding currencies. While these non-yen denominated assets are economically matched to the currency of the product liabilities, the accounting treatment may differ for changes in the value of these assets and liabilities due to moves in foreign currency exchange rates, resulting in volatility in reported U.S. GAAP earnings. This volatility has been mitigated by disaggregating the USD and AUD-denominated businesses in certain of our Japanese operations into separate divisions, each with its own functional currency that aligns with the underlying products and investments. For certain of our international insurance operations outside of Japan, we elect to not hedge the risk of changes in our equity investments due to foreign exchange rate movements. For additional information, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—External and Economic Factors—Impact of Foreign Currency Exchange Rates—Impact of products denominated in non-local currencies on U.S. GAAP earnings" above.

For our domestic general account investment portfolios supporting our U.S. insurance operations and other proprietary investment portfolios, our foreign currency exchange rate risk arises primarily from investments that are denominated in foreign currencies. We manage this risk by hedging substantially all domestic foreign currency denominated fixed income investments into USD. We generally do not hedge all of the foreign currency risk of our investments in equity securities of unaffiliated foreign entities.

We manage our foreign currency exchange rate risks within specified limits, and estimate our exposure, excluding equity in our Japanese insurance operations, to a hypothetical 10% change in foreign currency exchange rates. The following table sets forth the net estimated potential loss in fair value from such a change as of December 31, 2025 and 2024. While these scenarios are for illustrative purposes only and do not reflect our expectations regarding future changes in foreign exchange markets, they represent reasonably possible near-term hypothetical changes that illustrate the potential impact of such events.

	As of December 31, 2025		As of December 31, 2024	
	Fair Value	Hypothetical Change in Fair Value	Fair Value	Hypothetical Change in Fair Value
	(in millions)			
Unhedged portion of equity investment in international subsidiaries and foreign currency denominated investments in domestic general account portfolio	$ 4,106	$ 411	$ 2,859	$ 286

For additional information, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—General Account Investments—Portfolio Composition" and "Management's Discussion and Analysis of Financial Condition and Results of Operations—Results of Operations by Segment—International Businesses" above.

Derivatives

We use derivative financial instruments primarily to reduce market risk from changes in interest rates, equity prices and foreign currency exchange rates, including their use to alter interest rate or foreign currency exposures arising from mismatches between assets and liabilities. Our derivatives primarily include swaps, futures, options and forward contracts that are exchange-traded or contracted in the OTC market.

Our derivatives also include interest rate guarantees we provide on our synthetic GIC products. Synthetic GICs simulate the performance of traditional insurance-related GICs but are accounted for as derivatives under U.S. GAAP due to the fact that

the policyholders own the underlying assets, and we only provide a book value "wrap" on the customers' funds, which are held in a client-owned trust. Since these wraps provide payment of guaranteed principal and interest to the customer, changes in interest rates create risk such that declines in the market value of customers' funds would increase our net exposure to these guarantees; however, our obligation is limited to payments that are in excess of the existing customers' fund value. Additionally, we have the ability to periodically reset crediting rates, subject to a 0% minimum floor, as well as the ability to increase prices. Further, our contract provisions provide that, although participants may withdraw funds at book value, contractholder withdrawals may only occur at market value immediately, or at book value over time. These factors, among others, result in these contracts experiencing minimal changes in fair value, despite a more significant notional value.

Additionally, our derivatives include embedded derivative instruments associated with the index-linked features of certain universal life and annuity products, and reinsurance with funds withheld arrangements. For additional information regarding our derivative activities, see Note 5 to the Consolidated Financial Statements.

Market Risk Related to Variable Annuity Products

The primary risk exposures of our variable annuity contracts relate to actual deviations from, or changes to, the assumptions used in the original pricing of these products, including capital markets assumptions such as equity market returns, interest rates, market volatility and actuarial assumptions. We manage our exposure to certain risks driven by fluctuations in capital markets primarily through a combination of product design features, such as an automatic rebalancing feature and/or inclusion in our ALM strategy. In addition, we may also utilize external reinsurance as a form of additional risk mitigation. Our guaranteed living and death benefit features on variable annuities are accounted for as MRBs and recorded at fair value. The market risk sensitivities associated with U.S. GAAP values of both the MRBs and the related derivatives used to hedge the changes in fair value of these MRBs are provided under "Market Risk Related to Interest Rates" and "Market Risk Related to Equity Prices" above.

For additional information regarding our risk management strategies, including our ALM strategy and product design features, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Results of Operations by Segment—Retirement Strategies" above.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

CONSOLIDATED FINANCIAL STATEMENTS
TABLE OF CONTENTS

	Page
Management's Annual Report on Internal Control Over Financial Reporting	127
Report of Independent Registered Public Accounting Firm (PCAOB ID 238)	128
Consolidated Statements of Financial Position as of December 31, 2025 and 2024	131
Consolidated Statements of Operations for the years ended December 31, 2025, 2024 and 2023	132
Consolidated Statements of Comprehensive Income for the years ended December 31, 2025, 2024 and 2023	133
Consolidated Statements of Equity for the years ended December 31, 2025, 2024 and 2023	134
Consolidated Statements of Cash Flows for the years ended December 31, 2025, 2024 and 2023	135
Notes to Consolidated Financial Statements:	
1. Business and Basis of Presentation	137
2. Significant Accounting Policies and Pronouncements	138
3. Investments	155
4. Variable Interest Entities	174
5. Derivatives and Hedging	176
6. Fair Value of Assets and Liabilities	187
7. Deferred Policy Acquisition Costs, Deferred Reinsurance, Deferred Sales Inducements and Value of Business Acquired	207
8. Separate Accounts	211
9. Investments in Joint Ventures and Other Operating Entities	213
10. Goodwill and Other Intangibles	214
11. Leases	215
12. Liability for Future Policy Benefits	216
13. Policyholders' Account Balances	227
14. Market Risk Benefits	233
15. Reinsurance	238
16. Closed Block	241
17. Income Taxes	244
18. Short-Term and Long-Term Debt	252
19. Employee Benefit Plans	258
20. Equity	267
21. Earnings Per Share	273
22. Share-based Payments	275
23. Segment Information	279
24. Related Party Transactions	288
25. Commitments and Contingent Liabilities	289
26. Subsequent Events	296

Management's Annual Report on Internal Control Over Financial Reporting

Management of Prudential Financial, Inc. (together with its consolidated subsidiaries, the "Company") is responsible for establishing and maintaining adequate internal control over financial reporting. Management conducted an assessment of the effectiveness, as of December 31, 2025, of the Company's internal control over financial reporting, based on the framework established in *Internal Control—Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"). Based on our assessment under that framework, management concluded that the Company's internal control over financial reporting was effective as of December 31, 2025.

Our internal control over financial reporting is a process designed by or under the supervision of our principal executive and principal financial officers to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. Our internal control over financial reporting includes policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect transactions and dispositions of assets; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures are being made only in accordance with authorizations of management and the directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on our financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

The effectiveness of the Company's internal control over financial reporting as of December 31, 2025, has been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, as stated in their report appearing herein.

February 12, 2026

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholders of Prudential Financial, Inc.

Opinions on the Financial Statements and Internal Control over Financial Reporting

We have audited the accompanying consolidated statements of financial position of Prudential Financial, Inc. and its subsidiaries (the "Company") as of December 31, 2025 and 2024, and the related consolidated statements of operations, of comprehensive income, of equity and of cash flows for each of the three years in the period ended December 31, 2025, including the related notes and financial statement schedules listed in the index appearing under Item 15.2 (collectively referred to as the "consolidated financial statements"). We also have audited the Company's internal control over financial reporting as of December 31, 2025, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2025 in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2025, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the COSO.

Basis for Opinions

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Annual Report on Internal Control Over Financial Reporting. Our responsibility is to express opinions on the Company's consolidated financial statements and on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matters

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that (i) relates to accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Valuation of Guaranteed Benefit Features Associated with Certain Annuity and Life Products Included in the Market Risk Benefits and the Liability for Future Policy Benefits

As described in Notes 2, 6, 12 and 14 to the consolidated financial statements, the Company issues certain annuity and life contracts which contain guaranteed benefit features. Certain of the guarantees associated with variable annuity contracts are accounted for as market risk benefits. The market risk benefits represent contracts or contract features that expose the Company to other than nominal capital market risk, primarily related to deferred annuities with guaranteed minimum benefits. The benefits are accounted for using a fair value measurement methodology. The fair value of market risk benefits is calculated as the present value of expected future benefit payments to contractholders less the present value of expected future fees attributable to the market risk benefits, based on assumptions a market participant would use in valuing the market risk benefits. On a quarterly basis, changes in the fair value of market risk benefits are recorded in net income, net of related hedges, except for the portion of the change attributable to changes in the Company's non-performance risk which is recorded in other comprehensive income. This methodology could result in either a liability or asset balance, given changing capital market conditions and various actuarial assumptions. As of December 31, 2025, the fair value of the obligations associated with these guarantees accounted for as market risk benefit assets was $2.3 billion and for market risk benefit liabilities was $4.4 billion. As there is no observable active market for the transfer of these obligations, the valuations are calculated using internally-developed models with option pricing techniques. The models are based on a risk neutral valuation framework and incorporate premiums for risks inherent in valuation techniques, inputs, and the general uncertainty around the timing and amount of future cash flows. The significant inputs to the valuation models for these market risk benefits include capital market assumptions, such as interest rate levels and volatility assumptions, the Company's market-perceived non-performance risk under the contract, as well as actuarially determined assumptions, including contractholder behavior, such as lapse rates, benefit utilization rates, withdrawal rates and mortality rates (collectively, the significant market risk benefit assumptions). For certain life insurance products that include certain other contract features, including no-lapse guarantees, additional insurance reserves are established when associated assessments are recognized. The liability for no-lapse guarantee features is included within the additional insurance reserves balance in Note 12. As of December 31, 2025, the additional insurance reserve was $18.1 billion, recorded within the liability for future policy benefits. As disclosed by management, this liability is established using current best estimate assumptions, including mortality rates, lapse rates, and premium pattern rates, as well as interest rate and equity market return assumptions (collectively, the significant additional insurance reserve assumptions), and is based on the ratio of the present value of total expected excess payments (i.e., payments in excess of account value) over the life of the contract divided by the present value of total expected assessments (i.e., benefit ratio). The liability equals the current benefit ratio multiplied by cumulative assessments recognized to date, plus interest, less cumulative excess payments to date.

The principal considerations for our determination that performing procedures relating to the valuation of guaranteed benefit features associated with certain annuity and life products that are accounted for as market risk benefits and those that are included in the liability for future policy benefits is a critical audit matter are (i) the significant judgment by management when determining the valuation model for the benefit features accounted for as market risk benefits due to the lack of an observable market for these guarantees and when developing the aforementioned significant assumptions for the guaranteed benefit features accounted for as market risk benefits and additional insurance reserves, (ii) a high degree of auditor judgment, subjectivity and effort in performing procedures and evaluating audit evidence related to management's model for market risk benefits recorded at fair value and the aforementioned assumptions used by management in the valuation of the liabilities for the guaranteed benefit features accounted for as market risk benefits and additional insurance reserves, and (iii) the audit effort involved the use of professionals with specialized skill and knowledge.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to the valuation of guaranteed benefit features associated with certain annuity and life products included in market risk benefits

and the liability for future policy benefits, including controls over the model for the benefit features accounted for as market risk benefits and development of the assumptions used in the valuation of the liabilities for the guaranteed benefit features accounted for as market risk benefits and additional insurance reserves. These procedures also included, among others, (i) testing management's process for determining the valuation of guaranteed benefit features associated with certain annuity and life products included in market risk benefits and the liability for future policy benefits, (ii) the use of professionals with specialized skill and knowledge to assist in evaluating (a) the appropriateness of management's model for market risk benefits recorded at fair value and (b) the reasonableness of the aforementioned assumptions used in the valuation based on industry knowledge and data as well as historical Company data and experience. The procedures also included testing the completeness and accuracy of data used to develop the aforementioned assumptions and testing that the aforementioned assumptions are accurately reflected in the models.

/s/ PricewaterhouseCoopers LLP

New York, New York
February 12, 2026

We have served as the Company's auditor since 1996, which includes periods before the Company became subject to SEC reporting requirements.

PRUDENTIAL FINANCIAL, INC.

Consolidated Statements of Financial Position
December 31, 2025 and 2024 (in millions, except share amounts)

	2025	2024
ASSETS		
Fixed maturities, available-for-sale, at fair value (allowance for credit losses: 2025-$183; 2024-$331) (amortized cost: 2025-$357,996; 2024-$341,004)(1)	$ 331,455	$ 311,570
Fixed maturities, trading, at fair value (amortized cost: 2025-$15,536; 2024-$13,631)(1)	14,869	12,530
Assets supporting experience-rated contractholder liabilities, at fair value	4,842	3,707
Equity securities, at fair value (cost: 2025-$8,303; 2024-$7,043)(1)	10,972	9,417
Commercial mortgage and other loans (net of $469 and $574 allowance for credit losses; includes $1,056 and $702 of loans measured at fair value under the fair value option at December 31, 2025 and 2024, respectively)(1)	64,715	62,341
Policy loans	9,958	9,795
Other invested assets (net of $2 and $2 allowance for credit losses; includes $8,286 and $7,574 of assets measured at fair value at December 31, 2025 and 2024, respectively)(1)	27,294	26,351
Short-term investments (net of allowance for credit losses: 2025-$0; 2024-$0)	6,414	9,069
Total investments	470,519	444,780
Cash and cash equivalents(1)	19,712	18,497
Accrued investment income(1)	3,636	3,441
Deferred policy acquisition costs	21,530	20,448
Value of business acquired	397	435
Market risk benefit assets	2,330	2,331
Reinsurance recoverables and deposit receivables (net of $14 and $12 allowance for credit losses; includes $573 and $849 of embedded derivatives at fair value at December 31, 2025 and 2024, respectively)(2)	44,077	37,680
Income tax assets	279	866
Other assets (net of $1 and $2 allowance for credit losses; includes $0 and $0 of assets at fair value at December 31, 2025 and 2024, respectively)(1)(2)	15,009	13,737
Separate account assets	196,251	193,372
TOTAL ASSETS	$ 773,740	$ 735,587
LIABILITIES, MEZZANINE EQUITY AND EQUITY		
LIABILITIES		
Future policy benefits	$ 266,914	$ 268,912
Policyholders' account balances	191,307	166,254
Market risk benefit liabilities	4,623	4,455
Policyholders' dividends	1,272	718
Securities sold under agreements to repurchase	9,598	6,796
Cash collateral for loaned securities	8,700	9,621
Reinsurance and funds withheld payables (includes $174 and $(118) of embedded derivatives at fair value at December 31, 2025 and 2024, respectively)(2)	18,844	17,084
Short-term debt	1,443	953
Long-term debt	18,856	19,187
Other liabilities (includes $16 and $14 allowance for credit losses and $6,215 and $4,751 of derivatives at fair value at December 31, 2025 and 2024, respectively)(1)	17,692	16,679
Notes issued by consolidated variable interest entities (includes $767 and $60 measured at fair value under the fair value option at December 31, 2025 and 2024, respectively) (1)	2,659	1,430
Separate account liabilities	196,251	193,372
Total liabilities	738,159	705,461
COMMITMENTS AND CONTINGENT LIABILITIES (See Note 25)		
MEZZANINE EQUITY		
Redeemable noncontrolling interests	2,794	1,939
Total mezzanine equity	2,794	1,939
EQUITY		
Preferred Stock ($0.01 par value; 10,000,000 shares authorized; none issued)	0	0
Common Stock ($0.01 par value; 1,500,000,000 shares authorized; 666,305,189 shares issued as of both December 31, 2025 and 2024)	6	6
Additional paid-in capital	26,013	25,901
Common Stock held in treasury, at cost (318,361,498 and 311,738,187 shares at December 31, 2025 and 2024, respectively)	(25,335)	(24,511)
Accumulated other comprehensive income (loss)(2)	(3,077)	(6,711)
Retained earnings	34,831	33,187
Total Prudential Financial, Inc. equity	32,438	27,872
Noncontrolling interests	349	315
Total equity	32,787	28,187
TOTAL LIABILITIES, MEZZANINE EQUITY AND EQUITY	$ 773,740	$ 735,587

(1) See Note 4 for details of balances associated with variable interest entities.
(2) See Note 24 for additional information regarding related party transactions.

See Notes to Consolidated Financial Statements

PRUDENTIAL FINANCIAL, INC.

Consolidated Statements of Operations
Years Ended December 31, 2025, 2024 and 2023 (in millions, except per share amounts)

	2025	2024	2023
REVENUES			
Premiums (includes $122, $73 and $323 of gains (losses) from changes in estimates on deferred profit liability amortization for the year ended December 31, 2025, 2024 and 2023, respectively)(1)	$ 30,797	$ 42,897	$ 27,364
Policy charges and fee income	4,666	4,298	4,527
Net investment income	21,473	19,909	17,865
Asset management and service fees(1)	4,019	4,090	3,717
Other income (loss)(1)	4,426	3,037	4,065
Realized investment gains (losses), net(1)	(4,132)	(3,429)	(3,615)
Change in value of market risk benefits, net of related hedging gains (losses)	(475)	(397)	56
Total revenues	60,774	70,405	53,979
BENEFITS AND EXPENSES			
Policyholders' benefits(1)	35,224	47,119	30,931
Change in estimates of liability for future policy benefits(1)	103	(37)	337
Interest credited to policyholders' account balances	5,068	4,582	3,983
Dividends to policyholders	1,076	698	1,069
Amortization of deferred policy acquisition costs(1)	1,635	1,492	1,459
Goodwill impairment	0	0	177
General and administrative expenses(1)	13,012	13,342	12,951
Total benefits and expenses	56,118	67,196	50,907
INCOME (LOSS) BEFORE INCOME TAXES AND EQUITY IN EARNINGS OF JOINT VENTURES AND OTHER OPERATING ENTITIES	4,656	3,209	3,072
Total income tax expense (benefit)	1,053	507	613
INCOME (LOSS) BEFORE EQUITY IN EARNINGS OF JOINT VENTURES AND OTHER OPERATING ENTITIES	3,603	2,702	2,459
Equity in earnings of joint ventures and other operating entities, net of taxes	129	144	49
NET INCOME (LOSS)	3,732	2,846	2,508
Less: Income (loss) attributable to noncontrolling interests and redeemable noncontrolling interests	156	119	20
NET INCOME (LOSS) ATTRIBUTABLE TO PRUDENTIAL FINANCIAL, INC.	$ 3,576	$ 2,727	$ 2,488
EARNINGS PER SHARE			
Basic earnings per share-Common Stock:			
Net income (loss) attributable to Prudential Financial, Inc.	$ 10.05	$ 7.54	$ 6.76
Diluted earnings per share-Common Stock:			
Net income (loss) attributable to Prudential Financial, Inc.	$ 9.99	$ 7.50	$ 6.74

(1) See Note 24 for additional information regarding related party transactions.

See Notes to Consolidated Financial Statements

PRUDENTIAL FINANCIAL, INC.

Consolidated Statements of Comprehensive Income
Years Ended December 31, 2025, 2024 and 2023 (in millions)

	2025	2024	2023
NET INCOME (LOSS)	$ 3,732	$ 2,846	$ 2,508
Other comprehensive income (loss), before tax:			
Foreign currency translation adjustments for the period	446	(852)	(264)
Net unrealized investment gains (losses)	(653)	(10,125)	6,219
Interest rate remeasurement of future policy benefits(1)	5,385	11,804	(8,770)
Gain (loss) from changes in non-performance risk on market risk benefits	(195)	(466)	(693)
Defined benefit pension and postretirement unrecognized periodic benefit (cost)	(346)	(204)	(27)
Total	4,637	157	(3,535)
Less: Income tax expense (benefit) related to other comprehensive income (loss)	1,003	364	(837)
Other comprehensive income (loss), net of taxes	3,634	(207)	(2,698)
Comprehensive income (loss)	7,366	2,639	(190)
Less: Comprehensive income (loss) attributable to noncontrolling interests and redeemable noncontrolling interests	156	119	20
Comprehensive income (loss) attributable to Prudential Financial, Inc.	$ 7,210	$ 2,520	$ (210)

(1) See Note 24 for additional information regarding related party transactions.

See Notes to Consolidated Financial Statements

PRUDENTIAL FINANCIAL, INC.

Consolidated Statements of Equity
Years Ended December 31, 2025, 2024 and 2023 (in millions)

	Common Stock	Additional Paid-in Capital	Retained Earnings	Common Stock Held In Treasury	Accumulated Other Comprehensive Income (Loss)	Total Prudential Financial, Inc. Equity	Non-controlling Interests	Total Equity	Redeemable Non-controlling Interests
Balance, December 31, 2022	$ 6	$ 25,747	$ 31,714	$ (23,068)	$ (3,806)	$ 30,593	$ 341	$ 30,934	$ 985
Common Stock acquired				(1,006)		(1,006)		(1,006)	
Contributions from noncontrolling interests							19	19	190
Distributions to noncontrolling interests							(40)	(40)	(15)
Consolidations/(deconsolidations) of noncontrolling interests							(36)	(36)	592
Stock-based compensation programs		(1)		294		293		293	
Dividends declared on Common Stock			(1,850)			(1,850)		(1,850)	
Comprehensive income:									
Net income (loss)			2,488			2,488	6	2,494	14
Other comprehensive income (loss), net of tax					(2,698)	(2,698)	0	(2,698)	0
Total comprehensive income (loss)			2,488		(2,698)	(210)	6	(204)	14
Balance, December 31, 2023	6	25,746	32,352	(23,780)	(6,504)	27,820	290	28,110	1,766
Common Stock acquired				(1,006)		(1,006)		(1,006)	
Contributions from noncontrolling interests							15	15	203
Distributions to noncontrolling interests							(63)	(63)	(120)
Consolidations/(deconsolidations) of noncontrolling interests							(3)	(3)	47
Stock-based compensation programs		155		275		430		430	
Dividends declared on Common Stock			(1,892)			(1,892)		(1,892)	
Comprehensive income:									
Net income (loss)			2,727			2,727	76	2,803	43
Other comprehensive income (loss), net of tax					(207)	(207)	0	(207)	0
Total comprehensive income (loss)			2,727		(207)	2,520	76	2,596	43
Balance, December 31, 2024	6	25,901	33,187	(24,511)	(6,711)	27,872	315	28,187	1,939
Common Stock acquired				(1,007)		(1,007)		(1,007)	
Contributions from noncontrolling interests							65	65	435
Distributions to noncontrolling interests							(68)	(68)	(119)
Consolidations/(deconsolidations) of noncontrolling interests							30	30	390
Stock-based compensation programs		112		183		295		295	
Dividends declared on Common Stock			(1,932)			(1,932)		(1,932)	
Comprehensive income:									
Net income (loss)			3,576			3,576	7	3,583	149
Other comprehensive income (loss), net of tax					3,634	3,634	0	3,634	0
Total comprehensive income (loss)			3,576		3,634	7,210	7	7,217	149
Balance, December 31, 2025	$ 6	$ 26,013	$ 34,831	$ (25,335)	$ (3,077)	$ 32,438	$ 349	$ 32,787	$ 2,794

See Notes to Consolidated Financial Statements

PRUDENTIAL FINANCIAL, INC.

Consolidated Statements of Cash Flows
Years Ended December 31, 2025, 2024 and 2023 (in millions)

	2025	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income (loss)	$ 3,732	$ 2,846	$ 2,508
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Realized investment (gains) losses, net(1)	4,132	3,429	3,615
Change in value of market risk benefits, net of related hedging (gains) losses	475	397	(56)
Policy charges and fee income	(2,028)	(2,128)	(2,186)
Interest credited to policyholders' account balances	5,068	4,582	3,983
Goodwill impairment	0	0	177
Depreciation and amortization	128	383	(70)
(Gains) losses on assets supporting experience-rated contractholder liabilities, net	(648)	(595)	(503)
Change in:			
Deferred policy acquisition costs(1)	(1,215)	(1,111)	(869)
Future policy benefits and other insurance liabilities	3,493	4,803	5,489
Reinsurance related-balances(1)	(2,263)	(2,731)	(683)
Income taxes	(493)	(146)	(442)
Derivatives, net	377	897	(746)
Other, net(1)	(4,487)	(2,124)	(3,707)
Cash flows from (used in) operating activities	6,271	8,502	6,510
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from the sale/maturity/prepayment of:			
Fixed maturities, available-for-sale	45,218	59,059	44,097
Fixed maturities, held-to-maturity	0	0	22
Fixed maturities, trading	4,151	3,398	1,559
Assets supporting experience-rated contractholder liabilities	1,356	1,474	2,286
Equity securities	7,741	5,790	4,348
Commercial mortgage and other loans	7,762	5,466	3,985
Policy loans	1,846	1,972	1,806
Other invested assets	2,784	1,936	1,260
Short-term investments	33,226	33,316	32,684
Payments for the purchase/origination of:			
Fixed maturities, available-for-sale	(67,592)	(72,997)	(47,580)
Fixed maturities, trading	(6,339)	(7,041)	(4,174)
Assets supporting experience-rated contractholder liabilities	(1,895)	(1,773)	(2,290)
Equity securities	(8,473)	(6,576)	(4,296)
Commercial mortgage and other loans	(9,572)	(9,134)	(6,359)
Policy loans	(1,610)	(1,601)	(1,544)
Other invested assets	(3,074)	(3,884)	(3,049)
Short-term investments	(31,039)	(37,244)	(32,872)
Derivatives, net	(175)	(696)	(1,329)
Other, net(1)	(207)	(50)	(676)
Cash flows from (used in) investing activities	(25,892)	(28,585)	(12,122)
CASH FLOWS FROM FINANCING ACTIVITIES			
Policyholders' account deposits	39,889	35,913	28,521
Policyholders' account withdrawals	(20,251)	(19,388)	(18,307)
Net change in securities sold under agreements to repurchase and cash collateral for loaned securities	1,881	3,884	(156)
Cash dividends paid on Common Stock	(1,926)	(1,891)	(1,846)
Net change in financing arrangements (maturities 90 days or less)	449	(583)	10
Common Stock acquired	(1,000)	(1,000)	(1,012)
Common Stock reissued for exercise of stock options	109	201	126
Proceeds from the issuance of debt (maturities longer than 90 days)	1,195	1,423	716
Repayments of debt (maturities longer than 90 days)	(1,546)	(814)	(1,982)
Proceeds from notes issued by consolidated VIEs	1,564	1,436	1,360
Repayments of notes issued by consolidated VIEs	(439)	(617)	(336)
Other, net(1)	848	830	645
Cash flows from (used in) financing activities	20,773	19,394	7,739
Effect of foreign exchange rate changes on cash balances	77	(254)	37
NET INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS, RESTRICTED CASH AND RESTRICTED CASH EQUIVALENTS	1,229	(943)	2,164
CASH, CASH EQUIVALENTS, RESTRICTED CASH AND RESTRICTED CASH EQUIVALENTS, BEGINNING OF YEAR	18,520	19,463	17,299
CASH, CASH EQUIVALENTS, RESTRICTED CASH AND RESTRICTED CASH EQUIVALENTS, END OF YEAR	$ 19,749	$ 18,520	$ 19,463

PRUDENTIAL FINANCIAL, INC.

Consolidated Statements of Cash Flows
Years Ended December 31, 2025, 2024 and 2023 (in millions)

	2025	2024	2023
SUPPLEMENTAL CASH FLOW INFORMATION			
Income taxes paid, net of refunds(2)	$ 1,398	$ 756	$ 895
Interest paid	$ 1,907	$ 1,995	$ 1,555
NON-CASH TRANSACTIONS DURING THE YEAR			
Treasury Stock shares issued for stock-based compensation programs	$ 187	$ 217	$ 282
Novation of annuity contracts(3)	$ 0	$ 0	$ 491
Novation of investment contracts(4)	$ 2,157	$ 0	$ 0
Assets transferred upon surrender of IRA contracts(5)	$ 0	$ 0	$ 2,019
Significant pension risk transfer transactions:			
Assets received, excluding Cash and cash equivalents	$ 108	$ 11,693	$ 2,264
Liabilities assumed	489	16,020	3,257
Net cash received	$ 381	$ 4,327	$ 993
Prismic Re reinsurance transaction(6):			
Net assets transferred, excluding Cash and cash equivalents	$ 0	$ 0	$ 1,351
Payables established under coinsurance with funds withheld	0	102	8,185
Reinsurance recoverables established for Future policy benefits ceded	0	0	(5,584)
Deposit assets established for Policyholders' account balances ceded	0	0	(3,723)
Unwind of Deferred policy acquisition costs ceded	0	0	23
Deferred reinsurance loss	0	(102)	(240)
Net cash received (paid)	$ 0	$ 0	$ 12
Somerset Re reinsurance transaction(6):			
Reinsurance recoverables under modified coinsurance, net	$ 0	$ (578)	$ 0
Unwind of Deferred policy acquisition costs ceded	0	284	0
Deferred reinsurance gain	0	363	0
Net cash received (paid)	$ 0	$ 69	$ 0
Wilton Re reinsurance transaction(6):			
Net assets transferred, excluding Cash and cash equivalents	$ 0	$ 6,679	$ 0
Policy loans ceded	0	44	0
Reinsurance recoverables under coinsurance	0	(7,362)	0
Unwind of Deferred policy acquisition costs ceded	0	699	0
Deferred reinsurance loss	0	(980)	0
Reinsurance payables	0	175	0
Net cash received (paid)	$ 0	$ (745)	$ 0
Prismic Re International reinsurance transaction(6):			
Net assets transferred, excluding cash and cash equivalents	$ 6,069	$ 0	$ 0
Deposit assets established for Policyholders' account balances ceded	(6,366)	0	0
Unwind of Deferred policy acquisition costs ceded	219	0	0
Net cash received (paid)	$ (78)	$ 0	$ 0
RECONCILIATION TO THE CONSOLIDATED STATEMENTS OF FINANCIAL POSITION			
Cash and cash equivalents	$ 19,712	$ 18,497	$ 19,419
Restricted cash and restricted cash equivalents (included in "Other assets")	37	23	44
Total cash, cash equivalents, restricted cash and restricted cash equivalents	$ 19,749	$ 18,520	$ 19,463

(1) See Note 24 for additional information regarding related party transactions.
(2) See Note 17 for additional information regarding the income taxes paid, net of refunds amount by jurisdiction for the year ended December 31, 2025.
(3) "Cash flows from (used in) operating activities" and "Cash flows from (used in) investing activities" exclude non-cash activities related to the novation of certain, previously reinsured, annuity products, from Fortitude Group Holdings, LLC to the Company.
(4) "Cash flows from (used in) operating activities" exclude certain non-cash activities related to the novation of certain investment contracts from the Company to Empower Annuity Insurance Company of America and Empower Life & Annuity Insurance Company of New York (collectively, "Empower"). See note 15 for additional information regarding the reinsurance agreement with Empower.
(5) "Cash flows from (used in) operating activities" exclude certain non-cash activities related to the sale of the Full Service Retirement business as a result of the surrender of certain Stable Value Individual Retirement Account ("IRA") contracts from the Company to Great-West Life & Annuity Insurance Company.
(6) See Note 15 for additional information regarding the reinsurance agreements with Prismic Life Reinsurance, Ltd ("Prismic Re"), Somerset Reinsurance Ltd. ("Somerset Re"), Wilton Reassurance Company and Wilton Reinsurance Bermuda Limited (collectively, "Wilton Re"), and Prismic Life Reinsurance International, Ltd ("Prismic Re International").

See Notes to Consolidated Financial Statements

1. BUSINESS AND BASIS OF PRESENTATION

Prudential Financial, Inc. ("Prudential Financial") and its subsidiaries (collectively, "Prudential" or the "Company") provide a wide range of insurance, investment management, and other financial products and services to both individual and institutional customers throughout the United States and in many other countries. Principal products and services provided include life insurance, annuities, retirement solutions, mutual funds and investment management.

The Company's principal operations consist of PGIM (the Company's global investment management business), the U.S. Businesses (consisting of the Retirement Strategies, Group Insurance and Individual Life businesses), the International Businesses, the Closed Block division, and the Company's Corporate and Other operations. The Closed Block division is accounted for as a divested business that is reported separately from the Divested and Run-off Businesses that are included within Corporate and Other operations. Divested and Run-off Businesses consist of businesses that have been, or will be, sold or exited, including businesses that have been placed in wind-down status that do not qualify for "discontinued operations" accounting treatment under U.S. GAAP. The Company's Corporate and Other operations include corporate items and initiatives that are not allocated to business segments as well as the Divested and Run-off Businesses described above.

Effective in the first quarter of 2025, consistent with changes to the Company's internal management structure, the Company's International Businesses are reflected as a single operating and reportable segment, which is how the chief operating decision maker ("CODM") now assesses its performance and allocates resources. Prior to the first quarter of 2025, International Businesses consisted of the Life Planner and Gibraltar Life and Other operating segments, each of which was a reportable segment under U.S. GAAP. The change has been applied retrospectively and did not have any impact on the Company's Consolidated Financial Statements contained herein or to any previously issued financial statements. See Note 23 for additional information regarding the Company's segments.

In the third quarter of 2023, the Company, through its Corporate and Other operations, acquired a 20% equity interest as a limited partner, in Prismic Life Holding Company LP ("Prismic"), a Bermuda-exempted limited partnership that owns all of the outstanding capital stock of Prismic Life Reinsurance, Ltd. ("Prismic Re") and Prismic Life Reinsurance International, Ltd. ("Prismic Re International"), which are licensed Bermuda-based life and annuity reinsurance companies. Beginning with the fourth quarter of 2023, the operating results of Corporate and Other reflect the Company's share of earnings in Prismic on a quarter lag. As this investment is accounted for under the equity method, Prismic, Prismic Re, and Prismic Re International are considered related parties. For additional information regarding related party transactions, see Note 24. For information regarding the Company's reinsurance transactions with Prismic Re and Prismic Re International, see Note 15.

As part of its continuous improvement process, the Company is working to become a leaner and more agile company by simplifying its management structure, empowering its employees with faster decision-making processes and investing in technology and data platforms. As part of this, the Company recorded charges of $135 million in the fourth quarter of 2025 and $200 million in the fourth quarter of 2023 to "General and administrative expenses" within its Corporate and Other operations. These actions, primarily related to its domestic operations and PGIM, reflect management's ongoing efforts in evaluating the optimal workforce structure required to deliver on its long-term growth strategy. The Company expects these continued actions will create operating efficiencies, and provide reinvestment capacity to build capabilities, realize additional efficiencies, strengthen its competitiveness and fuel future growth.

In February 2026, in conjunction with its previously announced internal investigation into employee misconduct in Japan, the Company voluntarily suspended new sales activity at Prudential of Japan for a 90-day period, commencing February 9, 2026. See "—Litigation and Regulatory Matters—Regulatory" within Note 25 for additional information.

Basis of Presentation

The Consolidated Financial Statements have been prepared in accordance with generally accepted accounting principles in the United States of America ("U.S. GAAP"). The Consolidated Financial Statements include the accounts of Prudential Financial, entities over which the Company exercises control, including majority-owned subsidiaries and minority-owned entities such as limited partnerships in which the Company is the general partner and variable interest entities ("VIEs") in which the Company is considered the primary beneficiary. See Note 4 for additional information regarding the Company's consolidated variable interest entities. Intercompany balances and transactions have been eliminated.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

The most significant estimates include those used in determining future policy benefits; policyholders' account balances related to the fair value of embedded derivative instruments associated with the index-linked features of certain universal life and annuity products; market risk benefits; the measurement of goodwill and any related impairment; the valuation of investments including derivatives, the measurement of allowance for credit losses, and the recognition of other-than-temporary impairments ("OTTI"); pension and other postretirement benefits; any provision for income taxes and valuation of deferred tax assets; and accruals for contingent liabilities, including estimates for losses in connection with unresolved legal and regulatory matters.

Out of Period Adjustments

In the first quarter of 2025, the Company recorded out of period adjustments resulting in a net charge of $150 million to "Income (loss) from operations before income taxes and equity in earnings of joint ventures and other operating entities" for the year ended 2025. The adjustments included an overstatement of "Reinsurance recoverables and deposit receivables" and an understatement of "Deferred policy acquisition costs."

The impact of these adjustments, individually and in the aggregate, was not material to any previously reported annual financial statements and is not material to the 2025 annual financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES AND PRONOUNCEMENTS

ASSETS

Fixed maturities, available-for-sale, at fair value ("AFS debt securities") includes bonds, notes and redeemable preferred stock that are carried at fair value. See Note 6 for additional information regarding the determination of fair value. The purchased cost of fixed maturities is adjusted for amortization of premiums and accretion of discounts to maturity or, if applicable, call date.

AFS debt securities, where fair value is below amortized cost, are reviewed quarterly to determine whether the amortized cost basis of the security is recoverable. For mortgage-backed and asset-backed AFS debt securities, a credit impairment will be recognized in earnings as an allowance for credit losses and reported in "Realized investment gains (losses), net," to the extent the amortized cost exceeds the net present value of projected future cash flows (the "net present value") for the security.

For all other AFS debt securities, qualitative factors are first considered including, but not limited to, the extent of the decline and the reasons for the decline in value (e.g., credit events, currency or interest-rate related, including general credit spread widening), and the financial condition of the issuer. If analysis of these qualitative factors results in the security needing to be impaired, a credit impairment will be recognized in earnings as an allowance for credit losses and reported in "Realized investment gains (losses), net," to the extent the amortized cost exceeds the net present value of projected future cash flows (the "net present value") for the security.

A credit impairment recorded cannot exceed the difference between the amortized cost and fair value of the respective security. The net present value used to measure a credit impairment is calculated by discounting the Company's best estimate of projected future cash flows at the effective interest rate implicit in the AFS debt security at the date of acquisition. Once the Company has deemed all or a portion of the amortized cost uncollectible, the allowance is removed from the balance sheet by writing down the amortized cost basis of the AFS debt security. Any amount of an AFS debt security's change in fair value not recorded as an allowance for credit losses will be recorded in Other Comprehensive Income (loss) ("OCI").

When an AFS debt security's fair value is below amortized cost and the Company has the intent to sell the AFS debt security, or it is more likely than not the Company will be required to sell the AFS debt security before its anticipated recovery,

the amortized cost basis of the AFS debt security is written down to fair value and any previously recognized allowance is reversed. The write-down is reported in "Realized investment gains (losses), net."

Interest income, including amortization of premium and accretion of discount, are included in "Net investment income" under the effective yield method. Prepayment premiums are also included in "Net investment income."

For high credit quality mortgage-backed and asset-backed AFS debt securities (those rated AA or above), the amortized cost and effective yield of the securities are adjusted as necessary to reflect historical prepayment experience and changes in estimated future prepayments. The adjustments to amortized cost are recorded as a charge or credit to "Net investment income" in accordance with the retrospective method.

For mortgage-backed and asset-backed AFS debt securities rated below AA, the effective yield is adjusted prospectively for any changes in the estimated timing and amount of cash flows unless the investment is purchased with credit deterioration or an allowance is currently recorded for the respective security. If an investment is impaired, any changes in the estimated timing and amount of cash flows will be recorded as the credit impairment, as opposed to a yield adjustment. If the asset is purchased with credit deterioration (or previously impaired), the effective yield will be adjusted if there are favorable changes in cash flows subsequent to the allowance being reduced to zero.

For mortgage-backed and asset-backed AFS debt securities, cash flow estimates consider the payment terms of the underlying assets backing a particular security, including interest rate and prepayment assumptions based on data from widely accepted third-party data sources or internal estimates. In addition to interest rate and prepayment assumptions, cash flow estimates also include other assumptions regarding the underlying collateral including default rates and recoveries, which vary based on the asset type and geographic location, as well as the vintage year of the security. These assumptions can significantly impact income recognition, unrealized gains and loss recorded in OCI, and the amount of impairment recognized in earnings. The payment priority of the respective security is also considered. For all other AFS debt securities, cash flow estimates are driven by assumptions regarding probability of default and estimates regarding timing and amount of recoveries associated with a default. The Company has developed these estimates using information based on its historical experience as well as using market observable data, such as industry analyst reports and forecasts, sector credit ratings and other data relevant to the collectability of a security, such as the general payment terms of the security and the security's position within the capital structure of the issuer.

Fixed maturities, trading, at fair value ("Trading debt securities") includes debt securities that are carried at fair value, such as fixed maturities with embedded features that are considered derivatives and assets contained within consolidated variable interest entities. See Note 6 for additional information regarding the determination of fair value. Realized and unrealized gains and losses for these investments are reported in "Other income (loss)," and interest income from these investments is reported in "Net investment income."

Assets supporting experience-rated contractholder liabilities, at fair value includes invested assets that consist of fixed maturities, equity securities, short-term investments and cash equivalents, that support certain products which are experience-rated, meaning that the investment results associated with these products are expected to ultimately accrue to contractholders. Realized and unrealized gains and losses for these investments are reported in "Other income (loss)." Interest and dividend income from these investments is reported in "Net investment income."

Equity securities, at fair value consists of common stock, mutual fund shares and non-redeemable preferred stock carried at fair value. Realized and unrealized gains and losses on these investments are reported in "Other income (loss)," and dividend income is reported in "Net investment income" on the ex-dividend date.

Commercial mortgage and other loans consists of commercial mortgage loans, agricultural property loans, residential mortgage loans, as well as certain other collateralized and uncollateralized loans. Uncollateralized loans primarily represent reverse dual currency loans and corporate loans held by the Company's international insurance operations.

Commercial mortgage and other loans originated and held for investment are generally carried at unpaid principal balance, net of unamortized deferred loan origination fees and expenses, and net of any current expected credit loss ("CECL") allowance. Certain off-balance sheet credit exposures (e.g., indemnification of serviced mortgage loans, and certain unfunded mortgage loan commitments where the Company cannot unconditionally cancel the commitment) are also subject to a CECL allowance. See Note 25 for additional information. The Company carries certain commercial mortgage loans originated within the Company's commercial mortgage operations at fair value where the fair value option has been elected. Loans held for sale

where the Company has not elected the fair value option are carried at the lower of cost or fair value. Commercial mortgage and other loans acquired, including those related to the acquisition of a business, are recorded at fair value when purchased, reflecting any premiums or discounts to unpaid principal balances. Interest income, and the amortization of the related premiums or discounts, are included in "Net investment income" under the effective yield method. Prepayment fees are also included in "Net investment income."

The CECL allowance represents the Company's best estimate of expected credit losses over the remaining life of the assets or off-balance sheet credit exposures. The determination of the allowance considers historical credit loss experience, current conditions, and reasonable and supportable forecasts. The allowance is calculated separately for commercial mortgage loans, agricultural property loans, residential mortgage loans, and other collateralized and uncollateralized loans.

For commercial mortgage and agricultural property loans, the allowance is calculated using an internally developed CECL model that pools together loans that share similar risk characteristics. Similar risk characteristics used to create the pools include, but are not limited to, vintage, maturity, credit rating, and collateral type.

Key inputs to the CECL model include unpaid principal balances, internal credit ratings, annual expected loss factors, average lives of the loans adjusted for prepayment considerations, current and historical interest rate assumptions, and other factors influencing the Company's view of the current stage of the economic cycle and future economic conditions. Subjective considerations include a review of whether historical loss experience is representative of current market conditions and the Company's view of the credit cycle. Model assumptions and factors are reviewed and updated as appropriate. Information about certain key inputs is detailed below.

Key factors in determining the internal credit ratings for commercial mortgage and agricultural property loans include loan-to-value and debt-service-coverage ratios. Other factors include amortization, loan term, and estimated market value growth rate and volatility for the property type and region. The loan-to-value ratio compares the carrying amount of the loan to the fair value of the underlying property or properties collateralizing the loan, and is commonly expressed as a percentage. Loan-to-value ratios greater than 100% indicate that the carrying amount of the loan exceeds the collateral value. A loan-to-value ratio less than 100% indicates an excess of collateral value over the carrying amount of the loan. The debt service coverage ratio is a property's net operating income as a percentage of its debt service payments. Debt service coverage ratios less than 1.0 indicates that property operations do not generate enough income to cover the loan's current debt payments. A debt service coverage ratio greater than 1.0 indicates an excess of net operating income over the debt service payments. The values utilized in calculating these ratios are developed as part of the Company's periodic review of the commercial mortgage loan and agricultural property loan portfolios, which includes an internal appraisal of the underlying collateral value. The Company's periodic review also includes a quality re-rating process, whereby the internal quality rating originally assigned at underwriting is updated based on current loan, property and market information using a proprietary quality rating system. See Note 3 for additional information related to the loan-to-value ratios and debt service coverage ratios related to the Company's commercial mortgage and agricultural property loan portfolios.

Annual expected loss rates are based on historical default and loss experience factors. Using average lives, the annual expected loss rates are converted into life-of-loan loss expectations.

When individual loans no longer have the credit risk characteristics of the commercial mortgage or agricultural property loan pools, they are removed from the pools and are evaluated individually for an allowance. The allowance is determined based on the outstanding loan balance less the present value of expected future cash flows discounted at the loan's effective interest rate or the fair value of the collateral if the loan is collateral dependent.

For residential mortgage loans, the allowance is calculated using an internally developed CECL model that pools together loans that share similar risk characteristics. The estimated lifetime loss of the pool is calculated from the risk profiles of the loans, including borrower credit score, loan-to-value ratio, property type, and several key attributes of the loan and property including: loan type, loan age, loan performance history, and current performing or nonperforming status. Estimated lifetime loss rates are calculated by weighting projected losses in multiple economic scenarios based on the Company's view of the current stage of the economic cycle and future economic conditions. The scenario losses are calibrated to industry historical experience of defaults, loss severities, and prepayment rates in multiple economic cycles, reflective of similar loan characteristics. When individual loans become nonperforming, the allowance is determined based on annual expected loss rates for nonperforming loans or the fair value of the collateral if the loan is collateral dependent. The Company defines nonperforming residential mortgage loans as those that are 90 days or more past due and/or in nonaccrual status.

The CECL allowance for other collateralized and uncollateralized loans (e.g., corporate loans) carried at amortized cost is determined based on probability of default and loss given default assumptions by sector, credit quality and average lives of the loans.

The CECL allowance on commercial mortgage and other loans can increase or decrease from period to period based on the factors noted above. The change in allowance is reported in "Realized investment gains (losses), net." As it relates to unfunded commitments that are in scope of this guidance, the CECL allowance is reported in "Other liabilities," and the change in the allowance is reported in "Realized investment gains (losses), net."

Once the Company has deemed a portion of the amortized cost to be uncollectible, the uncollectible portion of allowance is removed from the balance sheet by writing down the amortized cost basis of the loan. The carrying amount of the loan is not adjusted for subsequent recoveries in value.

Interest received on loans that are past due is either applied against the principal or reported as net investment income based on the Company's assessment as to the collectability of the principal. The Company defines "past due" as principal or interest not collected at least 30 days past the scheduled contractual due date. See Note 3 for additional information about the Company's past due loans.

The Company discontinues accruing interest on loans after the loans become 90 days delinquent as to principal or interest payments, or earlier when the Company has doubts about collectability. When the Company discontinues accruing interest on a loan, any accrued but uncollectible interest on the loan and other loans backed by the same collateral, if any, is charged against interest income in the same period. Generally, a loan is restored to accrual status only after all delinquent interest and principal are brought current and, in the case of loans where the payment of interest has been interrupted for a substantial period, or the loan has been modified, a regular payment performance has been established.

Commercial mortgage and other loans are occasionally restructured. These restructurings generally include one or more of the following: full or partial payoffs outside of the original contract terms; changes to interest rates; extensions of maturity; or additions or modifications to covenants. Additionally, the Company may accept assets in full or partial satisfaction of the debt.

All restructurings are evaluated under the modification guidance in ASC 310-20. When a loan is modified, the Company evaluates whether the restructuring results in a continuation of the existing loan or a new loan. For modifications that result in a continuation of the existing loan, the CECL allowance of the loan is remeasured using the modified terms, including the loan's post-modification effective yield, and the allowance is adjusted accordingly.

For modifications that result in a new loan, any CECL allowance is reversed and a direct write-down of the loan is recorded for the amount of the allowance, and any additional loss, net of recoveries, or any gain is recorded for the difference between the fair value of the new loan and the recorded investment in the loan. The new loan is evaluated prospectively for credit impairment based on the CECL allowance process noted above.

The Company's PGIM business provides commercial mortgage origination, underwriting and servicing for certain government sponsored entities ("GSEs"). The Company has agreed to indemnify the GSEs for a portion of the credit risk associated with certain of the mortgages it services. Management has established a CECL allowance that factors in historical loss information, current conditions and reasonable and supportable forecasts. The allowance also considers the remaining lives of the loans subject to the indemnification. The CECL allowance is included in "Other liabilities" and changes in the CECL allowance are reported in "Realized investment gains (losses), net." See Note 25 for additional information.

Policy loans represents funds loaned to policyholders up to the cash surrender value of the associated insurance policies and are carried at the unpaid principal balances due to the Company from the policyholders. Interest income on policy loans is recognized in "Net investment income" at the contract interest rate when earned. Policy loans are fully collateralized by the cash surrender value of the associated insurance policies.

Other invested assets consists of the Company's non-coupon investments in limited partnerships and limited liability companies ("LPs/LLCs"), other than joint ventures and other operating entities, as well as wholly-owned investment real estate, derivative assets and other investments. LPs/LLCs interests are accounted for using either the equity method of accounting, or at fair value with changes in fair value reported in "Other income (loss)." The Company's income from investments in LPs/LLCs accounted for using the equity method, other than the Company's investments in joint ventures and other operating entities, is included in "Net investment income." The carrying value of these investments is written down, or impaired, to fair

value when a decline in value is considered to be other-than-temporary. In applying the equity method (including assessment for OTTI), the Company uses financial information provided by the investee, generally on a one to three-month lag. The Company consolidates LPs/LLCs in certain other instances where it is deemed to exercise control, or is considered the primary beneficiary of a variable interest entity. See Note 4 for additional information about VIEs.

The Company's wholly-owned investment real estate consists of real estate which the Company has the intent to hold for the production of income as well as real estate held for sale. Real estate which the Company has the intent to hold for the production of income is carried at depreciated cost less any write-downs to fair value for impairment losses and is reviewed for impairment whenever events or circumstances indicate that the carrying value may not be recoverable. Real estate held for sale is carried at the lower of depreciated cost or fair value less estimated selling costs and is not further depreciated once classified as such. An impairment loss is recognized when the carrying value of the investment real estate exceeds the estimated undiscounted future cash flows (excluding interest charges) from the investment. At that time, the carrying value of the investment real estate is written down to fair value. Decreases in the carrying value of investment real estate held for the production of income due to OTTI are recorded in "Realized investment gains (losses), net." Depreciation on real estate held for the production of income is computed using the straight-line method over the estimated useful lives of the properties and is included in "Net investment income."

Short-term investments primarily consists of highly liquid debt instruments with a maturity of twelve months or less and greater than three months when purchased, other than those debt instruments meeting this definition that are included in "Assets supporting experience-rated contractholder liabilities, at fair value." These investments are generally carried at fair value or amortized cost that approximates fair value and include certain money market investments, funds managed similar to regulated money market funds, short-term debt securities issued by government-sponsored entities and other highly liquid debt instruments.

Cash and cash equivalents includes cash on hand, amounts due from banks, certain money market investments, funds managed similar to regulated money market funds, other debt instruments with maturities of three months or less when purchased, other than cash equivalents that are included in "Assets supporting experience-rated contractholder liabilities, at fair value," and receivables related to securities purchased under agreements to resell (see also "*Securities sold under agreements to repurchase*" below). These assets are generally carried at fair value or amortized cost which approximates fair value.

Accrued investment income primarily includes accruals of interest and dividend income from investments that have been earned but not yet received.

Deferred policy acquisition costs ("DAC") represents costs directly related to the successful acquisition of new and renewal insurance and annuity business. Such DAC primarily includes commissions, costs of policy issuance and underwriting, and certain other expenses that are directly related to successfully acquired contracts. In each reporting period, previously capitalized DAC is amortized and included in "Amortization of deferred policy acquisition costs."

DAC for most long-duration contracts is amortized on a constant-level basis at a grouped contract level over the expected life of the underlying insurance contracts. Contracts are grouped consistent with the groupings used to estimate the liability for future policy benefits (or other related balances) for the corresponding contracts. Since contracts within a grouping may be of different sizes, contracts within a group are weighted to achieve appropriate amortization and to ensure that DAC is derecognized when a policy is no longer in force. The constant-level basis used to weight contracts within a grouping and amortize DAC is generally defined as follows:

- *Life insurance contracts* – DAC associated with life insurance contracts is generally amortized in proportion to the initial face amount of life insurance in force. This is applicable to traditional and universal life insurance products in the Individual Life and International Businesses segments and Closed Block division, and group corporate- and bank-owned life insurance contracts in the Group Insurance segment.
- *Payout annuity contracts* – DAC associated with payout annuity contracts in the Retirement Strategies segment is amortized in proportion to annual benefit payments.
- *Deferred annuity contracts* – DAC associated with fixed and variable deferred annuity contracts in the Retirement Strategies and International Businesses segments is amortized in proportion to deposits.
- *Health contracts* – DAC associated with health contracts in the International Businesses segment is generally amortized in proportion to maximum lifetime benefits.

For funding agreement note contracts, single premium structured settlement contracts without life contingencies, and single premium immediate annuities without life contingencies, acquisition expenses are deferred and amortized over the expected life of the contracts using the interest method. For other group life and disability insurance contracts and guaranteed investment contracts ("GICs"), acquisition costs are expensed as incurred.

Current period DAC amortization reflects the impact of changes in actual insurance in force during the period and changes in future assumptions effected as of the end of the quarter, where applicable. The Company typically updates actuarial assumptions annually in the second quarter, unless a material change is observed in an interim period that is indicative of a long-term trend. Generally, the Company does not expect trends to change significantly in the short-term and, to the extent these trends may change, the Company expects such changes to be gradual over the long-term.

Assumptions used for DAC are consistent with those used in estimating the liability for future policy benefits (or any other related balance) for the corresponding contract. Determining the level of aggregation and actuarial assumptions used in projecting in-force terminations requires judgment. Internal criteria are developed to determine the level of aggregation by considering both qualitative and quantitative materiality thresholds.

The assumptions used in projecting in-force terminations are mortality, mortality improvement, and lapse assumptions. These assumptions are generally based on the Company's experience, industry experience and/or other factors, as applicable. For variable deferred annuity contracts, lapse rates are adjusted at the contract level based on the in-the-moneyness of the living benefits and reflect other factors, such as the applicability of any surrender charges. Lapse rates are reduced when contracts are more in-the-money. Lapse rates are also generally assumed to be lower for the period where surrender charges apply.

For some products, policyholders can elect to modify product benefits, features, rights or coverages by exchanging a contract for a new contract or by amendment, endorsement, or rider to a contract, or by the election of a feature or coverage within a contract. These transactions are known as internal replacements. If policyholders surrender traditional life insurance policies in exchange for life insurance policies that do not have fixed and guaranteed terms, the Company immediately charges to expense the remaining unamortized DAC on the surrendered policies. For other internal replacement transactions, except those that involve the addition of a non-integrated contract feature that does not change the existing base contract, the unamortized DAC is immediately charged to expense if the terms of the new policies are not substantially similar to those of the former policies. If the new terms are substantially similar to those of the earlier policies, the DAC is retained with respect to the new policies and amortized over the expected life of the new policies. See Note 7 for additional information regarding DAC.

Value of business acquired ("VOBA") represents identifiable intangible assets to which a portion of the purchase price in a business acquisition is attributed under the application of purchase accounting. VOBA represents an adjustment to the stated value of in-force insurance contract liabilities to present them at fair value, determined as of the acquisition date. VOBA balances are subject to recoverability testing in the manner in which they were acquired. The Company has established a VOBA asset primarily for its acquired life insurance products and accident and health products with fixed benefits. As of December 31, 2025, the majority of the VOBA balance relates to the 2011 acquisition of AIG Star Life Insurance Co., Ltd, AIG Edison Life Insurance Company, AIG Financial Assurance Japan K.K. and AIG Edison Service Co., Ltd. (collectively, the "Star and Edison Businesses"). The Company records amortization of VOBA in "General and administrative expenses" and amortizes it over the anticipated life of the acquired contracts using the same methodology, factors, and assumptions used to amortize DAC and deferred sales inducements ("DSI"). See Note 7 for additional information regarding VOBA.

Market risk benefit assets represents market risk benefits ("MRBs") in an asset position and are presented separately from MRBs in a liability position. See "Market risk benefit liabilities" below. MRB assets also reflect ceded MRBs resulting from reinsurance of the Company's Prudential Defined Income ("PDI") traditional variable annuity contracts. See Note 15 for additional information regarding the reinsurance of PDI.

Reinsurance recoverables and deposit receivables includes amounts recoverable under reinsurance agreements and receivables that follow the deposit method of accounting (see *"Reinsurance"* below).

Other assets consists primarily of prepaid pension benefit costs (see Note 19), certain restricted assets (e.g., cash and cash equivalents), trade receivables, goodwill and other intangible assets, "right-of-use" lease assets (see "*Other liabilities*" below), DSI, the Company's investments in joint ventures and other operating entities, property and equipment, deferred reinsurance losses ("DRL") (see *"Reinsurance"* below) and receivables resulting from sales of securities that had not yet settled at the balance sheet date.

Property and equipment are carried at cost less accumulated depreciation. Depreciation is determined using the straight-line method over the estimated useful lives of the related assets, which generally range from 3 to 40 years.

As a result of certain acquisitions, the Company recognizes an asset for goodwill representing the excess of cost over the net fair value of the assets acquired and liabilities assumed. Goodwill is assigned to reporting units at the date the goodwill is initially recorded. A reporting unit is an operating segment, or a unit one level below the operating segment if discrete financial information is prepared and regularly reviewed by management at that level. Once goodwill has been assigned to reporting units, it no longer retains its association with a particular acquisition, and all of the activities within a reporting unit, whether acquired or organically grown, are available to support the value of the goodwill.

The Company tests goodwill for impairment annually as of December 31 and more frequently if an event occurs or circumstances change that would more likely than not reduce the fair value of a reporting unit below its carrying amount. Accounting guidance provides for an optional qualitative assessment for testing goodwill impairment that may allow companies to skip the quantitative test. As part of the annual goodwill impairment test, the Company estimates the fair value of the reporting units by applying the quantitative test, which involves comparing each reporting unit's fair value to its carrying value including goodwill. If the fair value of a reporting unit exceeds its carrying value, the applicable goodwill is considered not to be impaired. If the carrying value exceeds fair value, goodwill is reduced and an impairment charge to income is recognized for the excess. The measurement of a goodwill impairment loss includes the related income tax effect from any tax deductible goodwill. The impairment loss cannot exceed the amount of goodwill assigned to a reporting unit, and the loss establishes a new basis in the goodwill. Subsequent reversal of goodwill impairment losses is not permitted. Management is required to make significant estimates in determining the fair value of a reporting unit including, but not limited to: projected revenues and operating margins, applicable discount and growth rates, and comparative market multiples. See Note 10 for additional information regarding goodwill.

Deferred Sales Inducements are amounts that are credited to a policyholders' account balance primarily as an inducement to purchase fixed and/or variable deferred annuity contracts. The Company defers sales inducements and amortizes them over the expected life of the policy using the same methodology, factors and assumptions used to amortize DAC. The Company records amortization of DSI in "Interest credited to policyholders' account balances." Unlike DAC, DSI are considered contractual cash flows and, as a result, are subject to periodic recoverability testing. See Note 7 for additional information regarding DSI.

Identifiable intangible assets primarily include customer relationships and mortgage servicing rights and are recorded net of accumulated amortization. The Company tests identifiable intangible assets for impairment on an annual basis as of December 31 of each year or whenever events or circumstances suggest that the carrying value of an identifiable intangible asset may exceed the sum of the undiscounted cash flows expected to result from its use and eventual disposition. If this condition exists and the carrying value of an identifiable intangible asset exceeds its fair value, the excess is recognized as an impairment and is recorded as a charge against net income. Measuring intangible assets requires the use of estimates. Significant estimates include the projected net cash flow attributable to the intangible asset and the rate at which future net cash flows are discounted for purposes of estimating fair value, as applicable. See Note 10 for additional information regarding identifiable intangible assets.

Investments in joint ventures and other operating entities are generally accounted for under the equity method. The carrying value of these investments is written down, or impaired, to fair value when a decline in value is considered to be other-than-temporary. See Note 9 for additional information regarding investments in joint ventures and other operating entities.

Leases are recorded on the balance sheet as "right-of-use" assets and lease liabilities within "Other assets" and "Other liabilities" respectively. Leases are classified as either operating or finance leases and lease expense is recognized within "General and administrative expenses." As a lessee, for operating leases, total lease expense is recognized using a straight-line method. Finance leases are treated as the purchase of an asset on a financing basis. Additionally, as a lessor, for sales-type and direct financing leases, the Company derecognizes the carrying value of the leased asset that is considered to have been transferred to a lessee and records a lease receivable and residual asset ("receivable and residual" approach). See Note 11 for additional information regarding leases.

Separate account assets represents segregated funds that are invested for certain policyholders, pension funds and other customers. The assets consist primarily of equity securities, fixed maturities, real estate-related investments, real estate mortgage loans, short-term investments and derivative instruments and are reported at fair value. The assets of each account are legally segregated and are not subject to claims that arise out of any other business of the Company. Investment risks associated

with market value changes are borne by the customers, except to the extent of minimum guarantees made by the Company with respect to certain accounts. The investment income and realized investment gains or losses from separate account assets generally accrue to the policyholders and are not included in the Company's results of operations. Mortality, policy administration and surrender charges assessed against the accounts are included in "Policy charges and fee income." Asset management fees charged to the accounts are included in "Asset management and service fees." Seed money that the Company invests in separate accounts is reported in the appropriate general account asset line. Investment income and realized investment gains or losses from seed money invested in separate accounts accrue to the Company and are included in the Company's results of operations. See Note 8 for additional information regarding separate account arrangements with contractual guarantees. See also "Separate account liabilities" below.

LIABILITIES

Future policy benefits primarily consists of the present value of expected future payments to or on behalf of policyholders, where the timing and amount of such payments depend on policyholder mortality or morbidity, less the present value of expected future net premiums (where net premiums are gross premiums multiplied by the Net-To-Gross ("NTG") ratio discussed below). The liability for future policy benefits is accrued over time as premium revenue is recognized. See Note 12 for additional information regarding future policy benefits.

The reserving methodology used for non-participating traditional and limited-payment contracts include the following:

- *Cash Flow Assumptions*. In measuring the liability for future policy benefits, the net premium valuation methodology is utilized. Under this methodology, a liability for future policy benefits is established using current best estimate insurance assumptions and interest rate assumptions locked-in at contract issuance date. The NTG ratio is calculated as the ratio of the present value of expected policy benefits and non-level claim settlement expenses divided by the present value of expected gross premiums. The NTG ratio is applied to gross premiums, as premium revenue is recognized, to determine net premiums. The liability is then determined as the present value of expected future policy benefits and non-level claim settlement expenses less the present value of expected future net premiums. The result of the net premium valuation methodology is that the liability at any point in time represents an accumulation of the portion of premiums received to date expected to fund future benefits (i.e., net premiums received to date), less any benefits and expenses already paid. The liability does not necessarily reflect the full policyholder obligation the Company expects to pay at the conclusion of the contract since a portion of that obligation would be funded by net premiums received in the future and would be recognized in the liability at that time. For purposes of liability measurement, contracts are grouped into cohorts based primarily on issue year, reportable segment and major product line.

  The NTG ratio is generally updated quarterly for actual experience and annually in the second quarter of each year for future cash flow assumption updates during the Company's annual assumptions review process unless a material change is observed in an interim period that is indicative of a long-term trend, with the exception of claim settlement expense assumptions which the Company has made an entity-wide election to lock-in as of contract issuance. The NTG ratio is subject to a retrospective unlocking method whereby the Company updates its best estimate of cash flows expected over the life of the cohort using actual historical experience and updated future cash flow assumptions. These updated cash flows are used to calculate the revised NTG ratio, which is used to derive an updated liability for future policy benefits as of the beginning of the current reporting period, discounted at the original contract issuance discount rate. The updated liability for future policy benefit amount as of the beginning of the quarter is then compared to the carrying amount of the liability as of that same date, before the updates for actual experience or future cash flow assumptions, to determine the current period change in liability estimate. This current period change in the liability is the liability remeasurement gain or loss that is recorded through current period earnings in "Change in estimates of liability for future policy benefits." In subsequent periods, the revised NTG ratio is used to measure the liability for future policy benefits, subject to future revisions.

  If a cohort is in a loss position where the liability for future policy benefits plus the present value of expected future gross premiums are determined to be insufficient to provide for expected future policy benefits and non-level claim settlement expenses, the NTG ratio is capped at 100%. In these instances, all changes in expected benefits resulting from both actual experience deviations and changes in future assumptions are recognized immediately. While the liability for future policy benefits cannot be less than zero (i.e., a contra-liability) at the cohort level and thus the balance is floored at zero (i.e., "flooring"), the NTG ratio may be negative. This would be the case whereby conditions have improved such that the present value of future net premiums plus the existing liability for future policy benefits as of the valuation date exceed the present value of expected future policy benefits and non-level claim settlement expenses. In this case, the

negative NTG ratio would be applied going forward to gross premiums received, effectively amortizing the gain into income and reducing the liability over time.

In addition, for limited-payment contracts, the liability for future policy benefits also includes a Deferred Profit Liability ("DPL") representing gross premiums received in excess of net premiums and is generally recognized in revenue in a constant relationship with insurance in force for life contracts or with the amount of expected future benefit payments for annuity contracts. The DPL is subject to a retrospective unlocking adjustment consistent with the liability for future policy benefits discussed above. The DPL cannot be less than zero (i.e., a contra-liability) at the cohort level and thus the balance is floored at zero (i.e., "flooring").

- *Discount Rate Assumption.* The locked-in discount rate is generally based on expected investment returns at contract inception for contracts issued prior to January 1, 2021 and the upper-medium grade fixed income corporate instrument yield (i.e., global single A) at contract inception for contracts issued on or after January 1, 2021. The discount rate in effect at contract inception is locked-in for the calculation of the NTG ratio and accretion of interest cost on the liability through net income. However, for balance sheet remeasurement purposes, the discount rate is updated using the current single A rate at each reporting period, with the effect on the liability resulting from such update recorded in "Interest rate remeasurement of future policy benefits" in OCI.

  The methodology used in constructing the single A discount rate curve for discounting cash flows used to calculate the liability for future policy benefits is intended to be reflective of the characteristics of the applicable insurance liabilities. The single A discount rate curve is developed by reference to upper-medium grade (low credit risk) fixed- income instrument yields that reflect the duration characteristics of the applicable insurance liabilities. The single A discount curve for the United States and foreign economies, such as Japan, with observable corporate A spreads, is developed using government bond rates, plus globally equivalent public corporate A spreads in the observable periods. The definition of upper medium grade is based on Moody's Investor Service, Inc. ("Moody's") definition which includes the spectrum of A (i.e., A- to A+). The rate used in foreign operations (with the exception of certain emerging markets, as discussed below) is based on the equivalent of a single A rate from a global rating agency for corporate bonds issued in the same currency and country in which the insurance contract is written. Liquidity is considered in defining the observable period and linear extrapolation is performed to the Company's ultimate long-term economic assumptions. Annually, the Company performs a comprehensive review of the economic assumptions, including long-term interest rate assumptions and equity return assumptions, generally utilizing relevant economic outlook information and industry surveys as the primary basis.

  The Company has foreign currency denominated insurance obligations to policyholders in certain emerging markets where there is limited or no observable market data on upper-medium grade (low credit risk) fixed-income instrument yields. As a proxy for the upper-medium grade fixed-income instrument yield, the Company estimates an equivalent global single A yield in the currency of the emerging economy by converting a global single A U.S. dollar bond yield curve based on the relationship between market observable U.S. Treasury and foreign sovereign yield curves of similar duration as the insurance liability cash flows. The derived global single A curves in the foreign currency are evaluated against available evidence of observable global single A corporate bond rates in similar emerging economies. The Company uses interpolation and extrapolation techniques to complete the discount rate construction for the duration of the insurance liabilities to calculate the liability for future policy benefits denominated in the local currencies.

The Company's liability for future policy benefits also includes net liabilities for guaranteed benefits related to certain long-duration life contracts, such as no-lapse guarantee contract features (Additional Insurance Reserves or "AIR" liability), for which a liability is established when associated assessments are recognized (which include investment margin on policyholders' account balances deposited to fixed and indexed funds and all policy charges including charges for administration, mortality, expense, surrender and other charges). This liability is established using current best estimate assumptions and is based on the ratio of the present value of total expected excess payments (i.e., payments in excess of account value) over the life of the contract divided by the present value of total expected assessments (i.e., benefit ratio). The liability equals the current benefit ratio multiplied by cumulative assessments recognized to date, plus interest, less cumulative excess payments to date. The liability does not necessarily reflect the full policyholder obligation the Company expects to pay at the conclusion of the contract since a portion of that excess payment would be funded by assessments received in the future and would be recognized in the liability at that time. The reserves are subject to adjustments based on annual reviews of assumptions and quarterly adjustments for experience as described below, including market performance. These adjustments reflect the impact on the benefit ratio of using actual historical experience from the issuance date to the balance sheet date plus updated estimates of future experience. The updated benefit ratio is then applied to all prior periods' assessments to derive an adjustment to the

reserve recognized through a benefit or charge to current period earnings. Any adjustments to this liability related to net unrealized gains (losses) on securities classified as available-for-sale are included in AOCI.

For universal life type contracts and participating contracts, the Company performs premium deficiency tests using best estimate assumptions as of the testing date, at a minimum, on an annual basis, and on a quarterly basis for business whose profitability is closely tied to equity market performance. If the liabilities determined based on these best estimate assumptions are greater than the net reserves (i.e., GAAP reserves including unearned revenue reserves ("URR"), net of reinsurance, and any DSI or VOBA asset), the existing net reserves are adjusted by first reducing assets such as DSI, VOBA or deferred reinsurance loss by the amount of the deficiency or to zero through a charge to current period earnings. If the deficiency is more than these asset balances for insurance contracts, the net reserves are increased by the excess through a charge to current period earnings included in "Policyholders' benefits." Since investment yields are used as the discount rate, the premium deficiency test is also performed using a discount rate based on the market yield (i.e., assuming what would be the impact if any unrealized gains (losses) were realized as of the testing date). In the event that by using the market yield a deficiency occurs, an adjustment is established for the deficiency and is included in AOCI.

The Company's liability for future policy benefits also includes a liability for unpaid claims and claim adjustment expenses. The Company does not establish claim liabilities until a loss has been incurred. However, unpaid claims and claim adjustment expenses include estimates of claims that the Company believes have been incurred but have not yet been reported as of the balance sheet date. Expense assumptions included in the liability only include claim related expenses and exclude acquisition costs and non-claim related costs such as costs relating to investments, general administration, policy maintenance, product development, market research, and general overhead.

Policyholders' account balances represents the contract value that has accrued to the benefit of the policyholder as of the balance sheet date. This liability is primarily associated with the accumulated account deposits, plus interest credited, less policyholder withdrawals and other charges assessed against the account balance, as applicable. These policyholders' account balances also include provision for benefits under non-life contingent payout annuities and certain unearned revenues. The unearned revenue liability represents policy charges for services to be provided in future periods. The charges are deferred as incurred and are generally amortized over the expected life of the contract using the same methodology, factors, and assumption used to amortize DAC. See Note 13 for additional information regarding policyholders' account balances. Policyholders' account balances also include amounts representing the fair value of embedded derivative instruments associated with the index-linked features of certain universal life and annuity products. The changes in the fair value of the embedded derivatives are recorded in net income. For additional information regarding the valuation of these embedded derivatives, see Note 6.

Market risk benefit liabilities represents contracts or contract features that provide protection to the contractholder and exposes the Company to other than nominal capital market risk, primarily related to deferred annuities with guaranteed minimum benefits in the Retirement Strategies segment including guaranteed minimum death benefits ("GMDB"), guaranteed minimum income benefits ("GMIB"), guaranteed minimum accumulation benefits ("GMAB"), guaranteed minimum withdrawal benefits ("GMWB") and guaranteed minimum income and withdrawal benefits ("GMIWB"). The benefits are accounted for using a fair value measurement framework. If a contract contains multiple market risk benefits, the benefits are bundled together and accounted for as a single compound market risk benefit. Market risk benefits in an asset position are presented separately from those in a liability position as there is no legal right of offset between contracts. The fair value of market risk benefits is calculated as the present value of expected future benefit payments to contractholders less the present value of expected future rider fees attributable to the market risk benefits. The fair value of market risk benefits is based on assumptions a market participant would use in valuing market risk benefits. For additional information regarding the valuation of market risk benefits, see Note 6. On a quarterly basis, changes in the fair value of market risk benefits are recorded in net income, net of related hedges, in "Change in value of market risk benefits, net of related hedging gains (losses)," except for the portion of the change attributable to changes in the Company's non-performance risk ("NPR") which is recorded in OCI. See Note 14 for additional information regarding market risk benefits. See "Reinsurance" below for information regarding the reinsurance of MRBs.

Policyholders' dividends includes dividends payable to policyholders and the policyholder dividend obligation associated with the participating policies included in the Closed Block. The dividends payable for participating policies included in the Closed Block are determined at the end of each year for the following year by the Board of Directors of The Prudential Insurance Company of America ("PICA") based on its statutory results, capital position, ratings, and the emerging experience of the Closed Block. The policyholder dividend obligation represents amounts expected to be paid to Closed Block policyholders as an additional policyholder dividend unless otherwise offset by future Closed Block performance. Any adjustments to the policyholder dividend obligation related to net unrealized gains (losses) on securities classified as available-

for-sale are included in AOCI. For additional information regarding the policyholder dividend obligation, see Note 16. The dividends payable for policies other than the participating policies included in the Closed Block include dividends payable in accordance with certain group and individual insurance policies.

Securities sold under agreements to repurchase represents liabilities associated with securities repurchase agreements that are used primarily to earn spread income. As part of securities repurchase agreements, the Company transfers U.S. government and government agency securities to a third party and receives cash as collateral. For securities repurchase agreements, the cash received is typically invested in cash equivalents, short-term investments or fixed maturities. Receivables associated with securities purchased under agreements to resell are generally reflected as cash equivalents. As part of securities resale agreements, the Company invests cash and receives as collateral U.S. government securities or other debt securities.

Securities repurchase and resale agreements that satisfy certain criteria are treated as secured borrowing or secured lending arrangements. These agreements are carried at the amounts at which the securities will be subsequently resold or reacquired, as specified in the respective transactions. For securities purchased under agreements to resell, the Company's policy is to take possession or control of the securities either directly or through a third-party custodian. These securities are valued daily, and additional securities or cash collateral is received, or returned, when appropriate to protect against credit exposure. Securities to be resold are the same, or substantially the same, as the securities received. The majority of these transactions are with large brokerage firms and large banks. For securities sold under agreements to repurchase, the market value of the securities to be repurchased is monitored, and additional collateral is obtained where appropriate, to protect against credit exposure. The Company obtains collateral in an amount at least equal to 95% of the fair value of the securities sold. Securities to be repurchased are the same, or substantially the same, as those sold. The majority of these transactions are with highly rated money market funds. Income and expenses related to these transactions executed within the insurance companies used to earn spread income are reported as "Net investment income."

Cash collateral for loaned securities represents liabilities to return cash proceeds from security lending transactions. Securities lending transactions are used primarily to earn spread income. As part of securities lending transactions, the Company transfers U.S. and foreign debt and equity securities, as well as U.S. government and government agency securities, and receives cash as collateral. Cash proceeds from securities lending transactions are primarily used to earn spread income, and are typically invested in cash equivalents, short-term investments or fixed maturities. Securities lending transactions are treated as financing arrangements and are recorded at the amount of cash received. The Company obtains collateral in an amount equal to 102% and 105% of the fair value of the domestic and foreign securities, respectively. The Company monitors the market value of the securities loaned on a daily basis with additional collateral obtained as necessary. Substantially all of the Company's securities lending transactions are with large brokerage firms and large banks. Income and expenses associated with securities lending transactions used to earn spread income are reported as "Net investment income."

The Company also enters into securities lending transactions where non-cash collateral, typically U.S. government, Japanese government, or other sovereign bonds are received. The collateral received is not reported on the Company's Consolidated Statements of Financial Position. In these transactions, the Company receives a fee and obtains collateral in an amount equal to 102% to 105% of the fair value of the loaned securities. The Company monitors the market value of the securities loaned on a daily basis with additional collateral obtained as necessary. Substantially all of these transactions are with large brokerage firms and large banks. Income is reported as "Net investment income."

Reinsurance and funds withheld payables represents amounts payable under reinsurance agreements (see *"Reinsurance"* below).

Short-term and long-term debt liabilities are primarily carried at an amount equal to unpaid principal balance, net of unamortized discount or premium and debt issuance costs. Original-issue discount or premium and debt-issue costs are recognized as a component of interest expense over the period the debt is expected to be outstanding, using the interest method of amortization. Interest expense is generally presented within "General and administrative expenses" in the Company's Consolidated Statements of Operations. Interest expense may also be reported within "Net investment income" for certain activity, as prescribed by specialized industry guidance. Short-term debt is debt coming due in the next twelve months, including that portion of debt otherwise classified as long-term. The short-term debt caption may exclude short-term debt items for which the Company has the intent and ability to refinance on a long-term basis in the near-term. See Note 18 for additional information regarding short-term and long-term debt.

Other liabilities consists primarily of trade payables, lease liabilities (see "*Other assets*" above), pension and other employee benefit liabilities (see Note 19), derivative liabilities (see "*Derivative Financial Instruments*" below), deferred

reinsurance gains ("DRG") (see *"Reinsurance"* below) and payables resulting from purchases of securities that had not yet settled at the balance sheet date.

Notes issued by consolidated variable interest entities represents notes issued by certain asset-backed investment vehicles, primarily collateralized loan obligations ("CLOs") and rated feeder funds, which the Company is required to consolidate. The creditors of these VIEs do not have recourse to the Company in excess of the assets contained within the VIEs. The Company has elected the fair value option for certain of these notes. Changes in fair value are reported in "Other income (loss)."

Separate account liabilities primarily represents the contractholders' account balances in separate account assets and to a lesser extent borrowings of the separate account, and will be equal and offsetting to total separate account assets. See also "Separate account assets" above.

Commitments and contingent liabilities are accrued if it is probable that a liability has been incurred and an amount is reasonably estimable. Management evaluates whether there are incremental legal or other costs directly associated with the ultimate resolution of the matter that are reasonably estimable and, if so, they are included in the accrual. These accruals are generally reported in "Other liabilities."

MEZZANINE EQUITY

Redeemable noncontrolling interests includes redeemable noncontrolling interests associated with certain consolidated PGIM-managed entities. These redeemable noncontrolling interests are classified as "Mezzanine equity" because their redemption is at the option of the holder and not within the control of the Company. Income (loss) attributable to redeemable noncontrolling interests is reported in "Income (loss) attributable to noncontrolling interests and redeemable noncontrolling interests."

REVENUES, BENEFITS AND EXPENSES

Insurance Revenue and Expense Recognition

Premiums from individual life products, other than universal and variable life contracts, and health insurance and long-term care products are recognized when due. When premiums are due over a significantly shorter period than the period over which benefits are provided, any gross premium in excess of the net premium (i.e., the portion of the gross premium required to provide for all expected future policy benefits and non-level claim settlement expenses) is generally deferred and recognized into revenue in a constant relationship to insurance in force. Benefits are recorded as an expense when they are incurred. A liability for future policy benefits is recorded when premiums are recognized as described in "Future policy benefits" above.

Premiums from non-participating group annuities with life contingencies, single premium structured settlements with life contingencies and single premium immediate annuities with life contingencies are recognized when due. When premiums are due over a significantly shorter period than the period over which benefits are provided, any gross premium in excess of the net premium is generally deferred and recognized into revenue based on expected future benefit payments. Benefits are recorded as an expense when they are incurred. A liability for future policy benefits is recorded when premiums are recognized as described in "Future policy benefits" above.

Certain individual annuity contracts provide the contractholder a guarantee that the benefit received upon death or annuitization will be no less than a minimum prescribed amount. These benefits are generally accounted for as market risk benefits (see "Market risk benefits" above).

Amounts received from policyholders as payment for universal or variable group and individual life contracts, deferred fixed or variable annuities, structured settlements and other contracts without life contingencies, and participating group annuities are reported as deposits to "Policyholders' account balances" and/or "Separate account liabilities." Revenues from these contracts are reflected in "Policy charges and fee income" consisting primarily of fees assessed during the period against the policyholders' account balances for mortality and other benefit charges, policy administration charges and surrender charges. In addition to fees, the Company earns investment income from the investment of deposits in the Company's general account portfolio. Fees assessed that represent compensation to the Company for services to be provided in future periods and certain other fees are generally deferred and amortized into revenue over the life of the related contracts using the same methodology, factors, and assumption used to amortize DAC as described above. Benefits and expenses for these products

include claims in excess of related account balances, expenses of contract administration, interest credited to policyholders' account balances and amortization of DAC, DSI and VOBA.

Policyholders' account balances also include amounts representing the fair value of embedded derivative instruments associated with the index-linked features of certain universal life and annuity products where changes in the value of the embedded derivatives are recorded through "Realized investment gains (losses), net." For additional information regarding the valuation of these embedded derivatives, see Note 6.

For group life, other than universal and variable group life contracts, and disability insurance, premiums are generally recognized over the period to which the premiums relate in proportion to the amount of insurance protection provided. Claim and claim adjustment expenses are recognized when incurred.

Asset management and service fees principally includes asset-based asset management fees, which are recognized in the period in which the services are performed. In certain asset management fee arrangements, the Company is entitled to receive performance-based incentive fees when the return on assets under management exceeds certain benchmark returns or other performance targets. The Company may be required to return all, or part, of such performance-based incentive fees depending on future performance of these assets relative to performance benchmarks. The Company records performance-based incentive fee revenue when the contractual terms of the asset management fee arrangement have been satisfied and it is probable that a significant reversal in the amount of the fee will not occur. Under this principle, the Company records a deferred performance-based incentive fee liability to the extent it receives cash related to the performance-based incentive fee prior to meeting the revenue recognition criteria delineated above.

Other income (loss) includes realized and unrealized gains or losses from investments classified "Fixed maturities, trading, at fair value," "Assets supporting experience-rated contractholder liabilities, at fair value," "Equity securities, at fair value," and "Other invested assets" that are measured at fair value and consolidated entities that follow specialized investment company fair value accounting. "Other income (loss)" also includes gains and losses primarily related to the remeasurement of foreign currency denominated assets and liabilities, as discussed in more detail under "*Foreign Currency*" below, as well as gains and losses related to business dispositions.

Realized investment gains (losses), net includes realized gains or losses from sales and maturities of investments, changes to the allowance for credit losses, other impairments, fair value changes on mortgage loans where the fair value option has been elected, and derivative gains or losses. The derivative gains or losses include the impact of maturities, terminations and changes in fair value of the derivative instruments, including embedded derivatives, and other hedging instruments. Realized investment gains (losses) from the sales of securities are generally calculated using the specific identification method, with the exception of some of the Company's International Businesses portfolios where the average cost method is used.

OTHER ACCOUNTING POLICIES

Income taxes receivable (payable) primarily represents the net deferred tax asset or liability and the Company's estimated taxes receivable or payable for the current year and open audit years.

The Company and its includable domestic subsidiaries file a consolidated federal income tax return that includes both life insurance companies and non-life insurance companies. Subsidiaries operating outside the U.S. are taxed, and income tax expense is recorded, based on applicable foreign statutes. See Note 17 for a discussion of certain non-U.S. jurisdictions for which the Company assumes repatriation of earnings.

The application of U.S. GAAP requires the Company to evaluate the recoverability of the Company's deferred tax assets and establish a valuation allowance if necessary to reduce the Company's deferred tax assets to an amount that is more likely than not expected to be realized. Considerable judgment is required in determining whether a valuation allowance is necessary, and if so, the amount of such valuation allowance. See Note 17 for a discussion of factors considered when evaluating the need for a valuation allowance.

The Company has elected to treat taxes related to Global Intangible Low-Taxed Income ("GILTI") as a period cost and records such amounts in income tax expense in the period incurred.

U.S. GAAP prescribes a comprehensive model for how a company should recognize, measure, present, and disclose in its financial statements uncertain tax positions that a company has taken or expects to take on tax returns. The application of this

guidance is a two-step process. First, the Company determines whether it is more likely than not, based on the technical merits, that the tax position will be sustained upon examination. If a tax position does not meet the more likely than not recognition threshold, the benefit of that position is not recognized in the financial statements. The second step is measurement. The Company measures the tax position as the largest amount of benefit that is greater than 50% likely to be realized upon ultimate resolution with a taxing authority that has full knowledge of all relevant information. This measurement considers the amounts and probabilities of the outcomes that could be realized upon ultimate settlement using the facts, circumstances, and information available at the reporting date.

The Company accrues a liability for unrecognized tax benefits, interest and penalties which relate to tax years still subject to review by the Internal Revenue Service ("IRS") or other taxing jurisdictions. Audit periods remain open for review until the statute of limitations has passed. Generally, for tax years which produce net operating losses, capital losses or tax credit carryforwards ("tax attributes"), the statute of limitations does not close, to the extent of these tax attributes, until the expiration of the statute of limitations for the tax year in which they are fully utilized. The completion of review or the expiration of the statute of limitations for a given audit period could result in an adjustment to the liability for income taxes. The Company classifies all interest and penalties related to tax uncertainties as income tax expense. See Note 17 for additional information regarding income taxes.

Share-Based Payments

The Company applies the fair value-based measurement method in accounting for share-based payment transactions with employees except for equity instruments held by employee share ownership plans. Excess tax benefits (deficits) are recorded in earnings and represent the cumulative difference between the actual tax benefit realized and the amount of deferred tax assets recorded attributable to shared-based payment transactions.

The Company accounts for non-employee stock options using the fair value method in accordance with authoritative guidance and related interpretations on accounting for equity instruments that are issued to other than employees for acquiring, or in conjunction with selling, goods or services.

Earnings Per Share

Earnings per share of Common Stock reflects the consolidated earnings of Prudential Financial. Basic earnings per share is computed by dividing available income attributable to common shareholders by the weighted average number of common shares outstanding for the period. Diluted earnings per share includes the effect of all dilutive potential common shares that were outstanding during the period. See Note 21 for additional information.

Foreign Currency

The currency in which the Company prepares its financial statements (the "reporting currency") is the U.S. dollar. Assets, liabilities and results of foreign operations are recorded based on the functional currency of each foreign operation. The determination of the functional currency is based on economic facts and circumstances pertaining to each foreign operation. The local currencies of the Company's foreign operations are typically their functional currencies with the most significant exception being the Company's Japanese operations where multiple functional currencies exist.

There are two distinct processes for expressing these foreign transactions and balances in the Company's financial statements: foreign currency measurement and foreign currency translation. Foreign currency measurement is the process by which transactions in foreign currencies are expressed in the functional currency. Gains and losses resulting from foreign currency measurement are reported in current earnings in "Other income (loss)." Foreign currency translation is the process of expressing a foreign entity's functional currency financial statements in the reporting currency. Assets and liabilities of foreign operations and subsidiaries reported in currencies other than U.S. dollars are translated at the exchange rate in effect at the end of the period. Revenues, benefits and other expenses are translated at the average rate prevailing during the period. The effects of translating the statements of operations and financial position of non-U.S. entities with functional currencies other than the U.S. dollar are included, net of related qualifying hedge gains and losses and income taxes, in "Foreign currency translation adjustment," a component of AOCI.

Derivative Financial Instruments

Derivatives are financial instruments whose values are derived from interest rates, foreign exchange rates, financial indices, values of securities or commodities, credit spreads, market volatility, expected returns, and liquidity. Values can also be affected by changes in estimates and assumptions, including those related to counterparty behavior and NPR used in valuation models. Derivative financial instruments generally used by the Company include swaps, futures, forwards and options and may be exchange-traded or contracted in the over-the-counter ("OTC") market. Certain of the Company's OTC derivatives are cleared and settled through central clearing counterparties (OTC-cleared), while others are bilateral contracts between two counterparties (OTC-bilateral). Derivative positions are carried at fair value, generally by obtaining quoted market prices or through the use of valuation models.

Derivatives are used to manage the interest rate and currency characteristics of assets or liabilities and to mitigate volatility of expected non-functional currency earnings and net investments in foreign operations resulting from changes in currency exchange rates. Additionally, derivatives may be used to reduce exposure to risks such as interest rate, credit, foreign currency and equity associated with assets held or expected to be purchased or sold, and liabilities incurred or expected to be incurred. As discussed in detail below, and in Note 5, all realized and unrealized changes in fair value of derivatives are recorded in current earnings, with the exception of cash flow hedges and hedges of net investments in foreign operations. The Company may also enter into intercompany derivatives, the results of which ultimately eliminate in consolidation over the term of the instrument. Cash flows from derivatives are reported in the operating, investing, or financing activities sections in the Consolidated Statements of Cash Flows based on the nature and purpose of the derivative.

Derivatives are recorded either as assets, within "Other invested assets," or as liabilities, within "Other liabilities," except for embedded derivatives which are recorded with the associated host contract. The Company nets the fair value of all derivative financial instruments with counterparties for which a master netting arrangement has been executed.

The Company designates derivatives as either (1) a hedge of the fair value of a recognized asset or liability or unrecognized firm commitment ("fair value" hedge); (2) a hedge of a forecasted transaction or of the variability of cash flows to be received or paid related to a recognized asset or liability ("cash flow" hedge); (3) a foreign currency fair value or cash flow hedge ("foreign currency" hedge); (4) a hedge of a net investment in a foreign operation; or (5) a derivative that does not qualify for hedge accounting.

To qualify for hedge accounting treatment, a derivative must be highly effective in mitigating the designated risk of the hedged item. Effectiveness of the hedge is formally assessed at inception and throughout the life of the hedging relationship.

The Company formally documents at inception all relationships between hedging instruments and hedged items, as well as its risk-management objective and strategy for undertaking various hedge transactions. This process includes linking all derivatives designated as fair value, cash flow, or foreign currency hedges to specific assets and liabilities on the balance sheet or to specific firm commitments or forecasted transactions. Hedges of a net investment in a foreign operation are linked to the specific foreign operation.

When a derivative is designated as a fair value hedge and is determined to be highly effective, changes in its fair value, along with changes in the fair value of the hedged asset or liability (including losses or gains on firm commitments), are reported on a net basis in the Consolidated Statements of Operations, generally in "Realized investment gains (losses), net." When swaps are used in hedge accounting relationships, periodic settlements are recorded in the same Consolidated Statements of Operations line as the related settlements of the hedged items.

When a derivative is designated as a cash flow hedge and is determined to be highly effective, changes in its fair value are recorded in AOCI until earnings are affected by the variability of cash flows being hedged (e.g., when periodic settlements on a variable-rate asset or liability are recorded in earnings). At that time, the related portion of deferred gains or losses on the derivative instrument is reclassified and reported in the Consolidated Statements of Operations line item associated with the hedged item.

When a derivative is designated as a foreign currency hedge and is determined to be highly effective, changes in its fair value are recorded either in current period earnings if the hedge transaction is a fair value hedge (e.g., a hedge of a recognized foreign currency asset or liability) or in AOCI if the hedge transaction is a cash flow hedge (e.g., a foreign currency denominated forecasted transaction). When a derivative is used as a hedge of a net investment in a foreign operation, its change

in fair value is accounted for in the same manner as a translation adjustment (i.e., reported in the cumulative translation adjustment account within AOCI).

If it is determined that a derivative no longer qualifies as an effective fair value or cash flow hedge or management removes the hedge designation, the derivative will continue to be carried on the balance sheet at its fair value, with changes in fair value recognized currently in "Realized investment gains (losses), net." In this scenario, the hedged asset or liability under a fair value hedge will no longer be adjusted for changes in fair value associated with the hedged risk and the existing basis adjustment is amortized to the Consolidated Statements of Operations line associated with the asset or liability. The component of AOCI related to discontinued cash flow hedges is reclassified to the Consolidated Statements of Operations line associated with the hedged cash flows consistent with the earnings impact of the original hedged cash flows.

When hedge accounting is discontinued because the hedged item no longer meets the definition of a firm commitment, or because it is probable that the forecasted transaction will not occur by the end of the specified time period, the derivative will continue to be carried on the balance sheet at its fair value, with changes in fair value recognized currently in "Realized investment gains (losses), net." Any asset or liability that was recorded pursuant to recognition of the firm commitment is removed from the balance sheet and recognized currently in "Realized investment gains (losses), net." Gains and losses that were in AOCI pursuant to the cash flow hedge of a forecasted transaction are recognized immediately in "Realized investment gains (losses), net."

If a derivative does not qualify for hedge accounting, all changes in its fair value, including net receipts and payments, are included in "Realized investment gains (losses), net" without considering changes in the fair value of the economically associated assets or liabilities.

The Company is a party to financial instruments that contain derivative instruments that are "embedded" in the financial instruments. At inception, the Company assesses whether the economic characteristics of the embedded instrument are clearly and closely related to the economic characteristics of the remaining component of the financial instrument (i.e., the host contract) and whether a separate instrument with the same terms as the embedded instrument would meet the definition of a derivative instrument. When it is determined that (1) the embedded instrument possesses economic characteristics that are not clearly and closely related to the economic characteristics of the host contract and (2) a separate instrument with the same terms would qualify as a derivative instrument, the embedded instrument qualifies as an embedded derivative that is separated from the host contract, carried at fair value, and changes in its fair value are included in "Realized investment gains (losses), net." For certain financial instruments that contain an embedded derivative that otherwise would need to be bifurcated and reported at fair value, the Company may elect to carry the entire instrument at fair value and report it within "Other invested assets" or "Other liabilities."

Reinsurance

For each of its reinsurance contracts, the Company determines if the contract provides indemnification against loss or liability relating to insurance risk in accordance with applicable accounting standards. The Company reviews all contractual features, particularly those that may limit the amount of insurance risk to which the reinsurer is subject, or features that delay the timely reimbursement of claims.

The Company participates in reinsurance arrangements in various capacities as either the ceding entity or as the reinsurer (i.e., assuming entity). See Note 15 for additional information regarding the Company's reinsurance arrangements. Reinsurance assumed business is generally accounted for consistent with direct business. Amounts currently recoverable under reinsurance agreements are included in "Reinsurance recoverables and deposit receivables" and amounts payable are included in "Reinsurance and funds withheld payables." "Reinsurance recoverables and deposit receivables" also includes (1) an embedded derivative on deposit receivables where the Company has ceded fixed indexed annuities; and (2) embedded derivatives associated with receivables from modified coinsurance arrangements where the Company is the reinsurer, and net receivables from modified coinsurance arrangements where the Company is the cedant, and generally reflect the fair value of the invested assets retained by the cedant. "Reinsurance and funds withheld payables" also includes amounts payable to the reinsurer under coinsurance with funds withheld or net payables from modified coinsurance arrangements where the Company is the cedant, and generally reflect the fair value of the invested assets retained by the Company and contain an embedded derivative that is bifurcated and accounted for at fair value separately from the host contract, with changes in fair value recorded through "Realized investment gains (losses), net." Revenues and benefits and expenses include amounts assumed under reinsurance agreements and are reflected net of reinsurance ceded.

Reinsurance ceded arrangements do not discharge the Company as the primary insurer. Ceded balances would represent a liability of the Company in the event the reinsurers were unable to meet their obligations to the Company under the terms of the reinsurance agreements. Reinsurance recoverables are reported net of the CECL allowance. The CECL allowance considers the credit quality of the reinsurance counterparty and is generally determined based on the probability of default and loss given default assumptions, after considering any applicable collateral arrangements. Additions to or releases of the allowance are reported in "Policyholders' benefits." Reinsurance premiums, commissions, expense reimbursements, benefits and reserves related to reinsured long-duration contracts under coinsurance arrangements are accounted for over the life of the underlying reinsured contracts using assumptions consistent with those used to account for the underlying contracts. For reinsurance of in- force blocks of non-participating traditional and limited-payment contracts, the current value of the direct liability as of inception of the reinsurance agreement is used to calculate the reinsurance recoverable and cost of reinsurance such that there is no immediate other comprehensive income or loss from recognition of the reinsurance recoverable at inception. Consistent with the direct liability, the reinsurance recoverable for non-participating traditional and limited-payment contracts is remeasured each period using current single A rates with the effect on the reinsurance recoverable resulting from such updates recorded in "Interest rate remeasurement of future policy benefits" in OCI. For reinsurance of limited-payment contracts, the Company establishes a cost of reinsurance asset relating to the direct DPL and amortizes this balance through "Premiums" using the same methodology and assumptions used to amortize the direct DPL.

For reinsurance of existing in-force blocks of long-duration contracts that transfer significant insurance risk, the difference between the fair value of the net consideration exchanged and the net liabilities ceded related to the underlying reinsured contracts is considered the net cost of reinsurance at the inception of the reinsurance agreement. This initial net cost of reinsurance is deferred and amortized into income over the remaining life of the reinsured policies on a basis consistent with the methodologies and assumptions used for amortizing DAC. This initial net cost of reinsurance may result in a deferred reinsurance gain which is recorded in "Other liabilities" and amortized through "Other income (loss)," or a deferred reinsurance loss which is recorded in "Other assets" and amortized through "General and administrative expenses."

Consistent with direct contracts, reinsurance arrangements may also include features that meet the definition of MRBs and, if so, are accounted for at fair value. The fair value of direct or assumed MRBs reflects the Company's NPR, while the fair value of ceded MRBs reflects the counterparty credit risk of the reinsurer. Changes in the fair value of ceded MRBs, including the impact of changes in counterparty credit risk, are recorded in net income in "Change in value of market risk benefits, net of related hedging gains (losses)."

Coinsurance arrangements contrast with the Company's yearly renewable term arrangements, where only mortality risk is transferred to the reinsurer and premiums are paid to the reinsurer to reinsure that risk. The mortality risk that is reinsured under yearly renewable term arrangements represents the difference between the stated death benefits in the underlying reinsured contracts and the corresponding reserves or account value carried by the Company on those same contracts. The premiums paid to the reinsurer are based upon negotiated amounts, not on the actual premiums paid by the underlying contractholders to the Company. As yearly renewable term arrangements are usually entered into by the Company with the expectation that the contracts will be in force for the lives of the underlying policies, they are considered to be long-duration reinsurance contracts. The cost of reinsurance for universal life products is generally recognized based on the gross assessments of the underlying direct policies. The cost of reinsurance for term insurance products is generally recognized in proportion to direct premiums over the life of the underlying policies. The cost of reinsurance related to short-duration reinsurance contracts is accounted for over the reinsurance contract period.

If the Company determines that a reinsurance agreement does not expose the reinsurer to a reasonable possibility of a significant loss from insurance risk, the Company records the agreement using the deposit method of accounting. Deposits received are included in "Reinsurance and funds withheld payables" and deposits made are included in "Reinsurance recoverables and deposit receivables." As amounts are paid or received, consistent with the underlying contracts, the deposit assets or liabilities are adjusted. Interest on such deposits is recorded as "Other income (loss)" or "General and administrative expenses," as appropriate.

RECENT ACCOUNTING PRONOUNCEMENTS

Changes to U.S. GAAP are established by the Financial Accounting Standards Board ("FASB") in the form of Accounting Standards Updates ("ASUs") to the FASB Accounting Standards Codification ("ASC"). The Company considers the applicability and impact of all ASUs. ASUs listed below include those that have been adopted during the current fiscal year and/or those that have been issued but not yet adopted as of December 31, 2025, and as of the date of this filing. ASUs not listed below were assessed and determined to be either not applicable or not material.

ASUs adopted during the year ended December 31, 2025

Standard	Description	Effective date and method of adoption	Effect on the financial statements or other significant matters
ASU 2023—09 Income Taxes (Topic 740) Improvements to Income Tax Disclosures	This ASU requires entities to provide additional information primarily related to the effective tax rate reconciliation and income taxes paid.	January 1, 2025 using the prospective method.	Adoption of the ASU did not have an impact on the Company's Consolidated Financial Statements but resulted in expanded disclosures in the Notes to the Consolidated Financial Statements.

ASUs issued but not yet adopted as of December 31, 2025

Standard	Description	Effective date and method of adoption	Effect on the financial statements or other significant matters
ASU 2024-03—Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses (DISE)	This ASU requires public companies to disclose, in interim and annual reporting periods, additional information about certain expenses in the notes to financial statements.	Effective for fiscal years beginning after December 15, 2026, and interim periods within fiscal years beginning after December 15, 2027, with early adoption permitted and applied either prospectively or retrospectively.	The Company is currently assessing the impact of the ASU on the Company's Consolidated Financial Statements and Notes to the Consolidated Financial Statements.

3. INVESTMENTS

Fixed Maturity Securities

The following tables set forth the composition of fixed maturity securities (excluding investments classified as trading), as of the dates indicated:

	December 31, 2025				
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Allowance for Credit Losses	Fair Value
			(in millions)		
Fixed maturities, available-for-sale:					
U.S. Treasury securities and obligations of U.S. government authorities and agencies	$ 26,334	$ 668	$ 4,823	$ 0	$ 22,179
Obligations of U.S. states and their political subdivisions	5,881	138	554	0	5,465
Foreign government securities	62,469	497	12,352	0	50,614
U.S. public corporate securities	115,160	1,977	9,345	11	107,781
U.S. private corporate securities(1)	47,976	1,177	1,964	88	47,101
Foreign public corporate securities	24,496	413	1,178	28	23,703
Foreign private corporate securities	41,099	1,638	2,523	55	40,159
Asset-backed securities(2)	19,130	226	26	1	19,329
Commercial mortgage-backed securities	9,958	87	302	0	9,743
Residential mortgage-backed securities(3)	5,493	43	155	0	5,381
Total fixed maturities, available-for-sale(1)	$ 357,996	$ 6,864	$ 33,222	$ 183	$ 331,455

(1) Excludes notes with amortized cost of $15,744 million (fair value, $15,744 million), which have been offset with the associated debt under a netting agreement.
(2) Includes credit-tranched securities collateralized by loan obligations, home equity loans, auto loans, education loans and other asset types.
(3) Includes publicly-traded agency pass-through securities and collateralized mortgage obligations.

	December 31, 2024				
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Allowance for Credit Losses	Fair Value
			(in millions)		
Fixed maturities, available-for-sale:					
U.S. Treasury securities and obligations of U.S. government authorities and agencies	$ 24,869	$ 584	$ 5,105	$ 0	$ 20,348
Obligations of U.S. states and their political subdivisions	6,590	132	618	0	6,104
Foreign government securities	63,523	1,837	7,881	0	57,479
U.S. public corporate securities	108,883	1,226	11,529	72	98,508
U.S. private corporate securities(1)	45,854	918	2,926	57	43,789
Foreign public corporate securities	23,165	248	1,421	10	21,982
Foreign private corporate securities	38,652	314	4,311	192	34,463
Asset-backed securities(2)	16,979	214	59	0	17,134
Commercial mortgage-backed securities	9,791	29	547	0	9,273
Residential mortgage-backed securities(3)	2,698	15	223	0	2,490
Total fixed maturities, available-for-sale(1)	$ 341,004	$ 5,517	$ 34,620	$ 331	$ 311,570

(1) Excludes notes with amortized cost of $14,748 million (fair value, $14,748 million), which have been offset with the associated debt under a netting agreement.
(2) Includes credit-tranched securities collateralized by loan obligations, home equity loans, auto loans, education loans and other asset types.
(3) Includes publicly-traded agency pass-through securities and collateralized mortgage obligations.

The following tables set forth the fair value and gross unrealized losses on available-for-sale fixed maturity securities without an allowance for credit losses aggregated by investment category and length of time that individual fixed maturity securities had been in a continuous unrealized loss position, as of the dates indicated:

	December 31, 2025					
	Less Than Twelve Months		Twelve Months or More		Total	
	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses
	(in millions)					
Fixed maturities, available-for-sale:						
U.S. Treasury securities and obligations of U.S. government authorities and agencies	$ 3,644	$ 83	$ 12,075	$ 4,740	$ 15,719	$ 4,823
Obligations of U.S. states and their political subdivisions	399	9	3,631	545	4,030	554
Foreign government securities	9,886	510	23,570	11,842	33,456	12,352
U.S. public corporate securities	9,789	218	52,459	9,114	62,248	9,332
U.S. private corporate securities	3,297	68	24,064	1,895	27,361	1,963
Foreign public corporate securities	2,253	35	8,586	1,142	10,839	1,177
Foreign private corporate securities	849	44	16,286	2,473	17,135	2,517
Asset-backed securities	2,979	6	626	20	3,605	26
Commercial mortgage-backed securities	249	1	5,435	301	5,684	302
Residential mortgage-backed securities	353	2	1,210	153	1,563	155
Total fixed maturities, available-for-sale	$ 33,698	$ 976	$ 147,942	$ 32,225	$ 181,640	$ 33,201

	December 31, 2024					
	Less Than Twelve Months		Twelve Months or More		Total	
	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses
	(in millions)					
Fixed maturities, available-for-sale:						
U.S. Treasury securities and obligations of U.S. government authorities and agencies	$ 6,667	$ 334	$ 10,161	$ 4,771	$ 16,828	$ 5,105
Obligations of U.S. states and their political subdivisions	1,592	53	3,288	565	4,880	618
Foreign government securities	8,280	349	20,780	7,532	29,060	7,881
U.S. public corporate securities	25,420	1,036	48,152	10,485	73,572	11,521
U.S. private corporate securities	7,581	183	24,846	2,743	32,427	2,926
Foreign public corporate securities	5,751	170	8,084	1,246	13,835	1,416
Foreign private corporate securities	8,702	282	18,862	4,010	27,564	4,292
Asset-backed securities	1,488	11	1,015	48	2,503	59
Commercial mortgage-backed securities	1,092	8	6,432	539	7,524	547
Residential mortgage-backed securities	361	4	1,377	219	1,738	223
Total fixed maturities, available-for-sale	$ 66,934	$ 2,430	$ 142,997	$ 32,158	$ 209,931	$ 34,588

As of December 31, 2025 and 2024, the gross unrealized losses on fixed maturity available-for-sale securities without an allowance of $32,392 million and $33,437 million, respectively, related to "1" highest quality or "2" high quality securities based on the National Association of Insurance Commissioners ("NAIC") or equivalent rating and $809 million and $1,151 million, respectively, related to other than high or highest quality securities based on NAIC or equivalent rating. As of December 31, 2025, the $32,225 million of gross unrealized losses of twelve months or more were concentrated in the consumer non-cyclical, finance and utility sectors within corporate securities, as well as in foreign government securities. As of December 31, 2024, the $32,158 million of gross unrealized losses of twelve months or more were concentrated in the finance, consumer non-cyclical and utility sectors within corporate securities, as well as in foreign government securities.

In accordance with its policy described in Note 2, the Company concluded that an adjustment to earnings for credit losses related to these fixed maturity securities was not warranted at December 31, 2025. This conclusion was based on detailed analysis of the underlying credit and cash flows for each security. Gross unrealized losses are primarily attributable to increases in interest rates, general credit spread widening and foreign currency exchange rate movements. As of December 31, 2025, the Company did not intend to sell these securities, and it was not more likely than not that the Company would be required to sell these securities before the anticipated recovery of the amortized cost basis.

The following table sets forth the amortized cost and fair value of fixed maturities by contractual maturities, as of the date indicated:

	December 31, 2025	
	Amortized Cost	Fair Value
	(in millions)	
Fixed maturities, available-for-sale:		
Due in one year or less	$ 12,343	$ 12,446
Due after one year through five years	65,698	66,518
Due after five years through ten years	63,307	63,669
Due after ten years(1)	182,067	154,369
Asset-backed securities	19,130	19,329
Commercial mortgage-backed securities	9,958	9,743
Residential mortgage-backed securities	5,493	5,381
Total	$ 357,996	$ 331,455

(1) Excludes notes with amortized cost of $15,744 million (fair value, $15,744 million), which have been offset with the associated debt under a netting agreement.

Actual maturities may differ from contractual maturities because issuers may have the right to call or prepay obligations. Asset-backed, commercial mortgage-backed and residential mortgage-backed securities are shown separately in the table above, as they do not have a single maturity date.

The following table sets forth the sources of fixed maturity proceeds and related investment gains (losses), as well as losses on write-downs and the allowance for credit losses of fixed maturities, for the periods indicated:

	Years Ended December 31,		
	2025	2024	2023
	(in millions)		
Fixed maturities, available-for-sale:			
Proceeds from sales(1)	$ 19,029	$ 36,727	$ 27,161
Proceeds from maturities/prepayments	26,085	22,432	17,010
Gross investment gains from sales and maturities	727	1,400	973
Gross investment losses from sales and maturities	(1,367)	(3,553)	(2,183)
Write-downs recognized in earnings(2)	(408)	(924)	(81)
(Addition to) release of allowance for credit losses	148	(195)	(22)
Fixed maturities, held-to-maturity:			
Proceeds from maturities/prepayments(3)	$ 0	$ 0	$ 21
(Addition to) release of allowance for credit losses	0	0	2

(1) Excludes activity from non-cash related proceeds due to the timing of trade settlements of $104 million, $(100) million and $(74) million for the years ended December 31, 2025, 2024 and 2023, respectively.

(2) Amounts represent securities actively marketed for sale, securities where it is more likely than not the Company will be required to sell prior to the recovery of the amortized cost basis and write-downs on credit adverse securities.

(3) Excludes activity from non-cash related proceeds due to the timing of trade settlements of $1 million for the year ended December 31, 2023. There were no fixed maturities, held-to-maturity assets during 2025 and 2024.

The following tables set forth the balance of and changes in the allowance for credit losses for fixed maturity securities, as of and for the periods indicated:

	Year Ended December 31, 2025						
	U.S. Treasury Securities and Obligations of U.S. States	Foreign Government Securities	U.S. and Foreign Corporate Securities	Asset-Backed Securities	Commercial Mortgage-Backed Securities	Residential Mortgage-Backed Securities	Total
				(in millions)			
Fixed maturities, available-for-sale:							
Balance, beginning of period	$ 0	$ 0	$ 331	$ 0	$ 0	$ 0	$ 331
Additions to allowance for credit losses not previously recorded	0	0	113	1	0	0	114
Reductions for securities sold during the period	0	0	(30)	0	0	0	(30)
Additions (reductions) on securities with previous allowance	0	0	29	0	0	0	29
Write-downs charged against the allowance	0	0	(261)	0	0	0	(261)
Balance, end of period	$ 0	$ 0	$ 182	$ 1	$ 0	$ 0	$ 183

	Year Ended December 31, 2024						
	U.S. Treasury Securities and Obligations of U.S. States	Foreign Government Securities	U.S. and Foreign Corporate Securities	Asset-Backed Securities	Commercial Mortgage-Backed Securities	Residential Mortgage-Backed Securities	Total
				(in millions)			
Fixed maturities, available-for-sale:							
Balance, beginning of period	$ 0	$ 53	$ 105	$ 2	$ 0	$ 0	$ 160
Additions to allowance for credit losses not previously recorded	0	0	235	0	0	0	235
Reductions for securities sold during the period	0	(30)	(55)	0	0	0	(85)
Additions (reductions) on securities with previous allowance	0	(23)	46	(2)	0	0	21
Write-downs charged against the allowance	0	0	0	0	0	0	0
Balance, end of period	$ 0	$ 0	$ 331	$ 0	$ 0	$ 0	$ 331

See Note 2 for additional information about the Company's methodology for developing its allowance and expected losses.

For the year ended December 31, 2025, the net decrease in the allowance for credit losses on available-for-sale securities was primarily related to write-downs of distressed securities, partially offset by net additions in the basic industry and transportation sectors within corporate securities, due to adverse projected cash flows. For the year ended December 31, 2024, the net increase in the allowance for credit losses on available-for-sale securities was primarily related to net additions in the consumer cyclical, capital goods and energy sectors within corporate securities, due to adverse projected cash flows.

The Company did not have any fixed maturity securities purchased with credit deterioration as of both December 31, 2025 and 2024.

Assets Supporting Experience-Rated Contractholder Liabilities

The following table sets forth the composition of "Assets supporting experience-rated contractholder liabilities," as of the dates indicated:

	December 31, 2025		December 31, 2024	
	Amortized Cost or Cost	Fair Value	Amortized Cost or Cost	Fair Value
	(in millions)			
Fixed maturities:				
Corporate securities	$ 57	$ 55	$ 68	$ 67
Foreign government securities	611	596	544	539
Obligations of U.S. government authorities and agencies and obligations of U.S. states	227	245	207	220
Total fixed maturities(1)	895	896	819	826
Equity securities	2,234	3,946	1,763	2,881
Total assets supporting experience-rated contractholder liabilities(2)	$ 3,129	$ 4,842	$ 2,582	$ 3,707

(1) As a percentage of amortized cost, 99% of the portfolio was considered high or highest quality based on NAIC or equivalent ratings, as of both December 31, 2025 and 2024.
(2) As a percentage of amortized cost, 100% of the portfolio consisted of public securities as of both December 31, 2025 and 2024.

The net change in unrealized gains (losses) from assets supporting experience-rated contractholder liabilities still held at period end, recorded within "Other income (loss)," was $613 million, $495 million and $440 million during the years ended December 31, 2025, 2024 and 2023, respectively.

Fixed Maturities, Trading

The net change in unrealized gains (losses) from fixed maturities, trading still held at period end, recorded within "Other income (loss)," was $461 million, $(551) million and $518 million during the years ended December 31, 2025, 2024 and 2023, respectively.

Equity Securities

The net change in unrealized gains (losses) from equity securities still held at period end, recorded within "Other income (loss)," was $750 million, $735 million and $612 million during the years ended December 31, 2025, 2024 and 2023, respectively.

Concentrations of Financial Instruments

The Company monitors its concentrations of financial instruments and mitigates credit risk by maintaining a diversified investment portfolio which limits exposure to any single issuer.

As of the dates indicated, the Company's exposure to concentrations of credit risk of single issuers greater than 10% of the Company's equity included securities of the U.S. government and certain U.S. government agencies and securities guaranteed by the U.S. government, as well as the securities disclosed below:

	December 31, 2025		December 31, 2024	
	Amortized Cost	Fair Value	Amortized Cost	Fair Value
	(in millions)			
Investments in Japanese government and government agency securities:				
Fixed maturities, available-for-sale	$ 54,863	$ 43,554	$ 56,457	$ 51,177
Fixed maturities, trading	19	18	18	18
Assets supporting experience-rated contractholder liabilities	536	510	472	462
Total	$ 55,418	$ 44,082	$ 56,947	$ 51,657

	December 31, 2025		December 31, 2024	
	Amortized Cost	Fair Value	Amortized Cost	Fair Value
	(in millions)			
Investments in Brazil government and government agency securities:				
Fixed maturities, available-for-sale	$ 3,651	$ 3,152	$ 2,753	$ 2,251
Fixed maturities, trading	0	0	44	40
Short-term investments	1	1	2	2
Cash equivalents	260	260	228	228
Total	$ 3,912	$ 3,413	$ 3,027	$ 2,521

Commercial Mortgage and Other Loans

The following table sets forth the composition of "Commercial mortgage and other loans," as of the dates indicated:

	December 31, 2025		December 31, 2024	
	Amount	% of Total	Amount	% of Total
	($ in millions)			
Commercial mortgage and agricultural property loans by property type:				
Office	$ 6,517	10.4 %	$ 7,867	12.7 %
Retail	5,680	9.0	5,552	9.0
Apartments/Multi-Family	18,522	29.5	17,522	28.3
Industrial	17,280	27.5	16,900	27.3
Hospitality	1,738	2.8	1,831	3.0
Self-Storage(1)	2,245	3.6	2,194	3.5
Health Care Senior Living(1)	1,832	2.9	1,858	3.0
Other(1)	689	1.1	334	0.6
Total commercial mortgage loans	54,503	86.8	54,058	87.4
Agricultural property loans	8,275	13.2	7,775	12.6
Total commercial mortgage and agricultural property loans	62,778	100.0 %	61,833	100.0 %
Allowance for credit losses	(414)		(528)	
Total net commercial mortgage and agricultural property loans	62,364		61,305	
Other loans:				
Residential mortgage loans	1,632		19	
Uncollateralized loans	171		595	
Other collateralized loans	603		468	
Total other loans	2,406		1,082	
Allowance for credit losses	(55)		(46)	
Total net other loans	2,351		1,036	
Total net commercial mortgage and other loans(2)	$ 64,715		$ 62,341	

(1) Prior period amounts have been updated to conform to current period presentation.
(2) Includes loans which are carried at fair value under the fair value option and are collateralized primarily by apartment complexes. As of December 31, 2025 and 2024, the net carrying value of these loans was $1,056 million and $702 million, respectively.

As of December 31, 2025, the commercial mortgage and agricultural property loans were secured by properties geographically dispersed throughout the United States with the largest concentrations in California (28%), Florida (6%) and Texas (6%) and included loans secured by properties in Europe (6%), Mexico (2%), Japan (1%) and Australia (1%).

As of December 31, 2025, the residential mortgage loans were secured by properties geographically dispersed throughout the United States with the largest concentrations in Florida (13%), California (10%) and New York (9%).

The following table sets forth the balance of and changes in the allowance for credit losses for commercial mortgage and other loans, as of and for the periods ended:

	Commercial Mortgage Loans	Agricultural Property Loans	Residential Mortgage Loans	Other Collateralized Loans	Uncollateralized Loans	Total
			(in millions)			
Balance at December 31, 2022	$ 188	$ 13	$ 0	$ 0	$ 2	$ 203
Addition to (release of) allowance for expected losses	282	3	0	0	(1)	284
Write-downs charged against the allowance	(29)	0	0	0	0	(29)
Other	2	0	0	0	0	2
Balance at December 31, 2023	443	16	0	0	1	460
Addition to (release of) allowance for expected losses	100	110	0	32	13	255
Write-downs charged against the allowance	(132)	(5)	0	0	0	(137)
Other	(4)	0	0	0	0	(4)
Balance at December 31, 2024	407	121	0	32	14	574
Addition to (release of) allowance for expected losses	80	77	15	8	(14)	166
Write-downs charged against the allowance	(122)	(150)	0	0	0	(272)
Other	1	0	0	0	0	1
Balance at December 31, 2025	$ 366	$ 48	$ 15	$ 40	$ 0	$ 469

See Note 2 for additional information about the Company's methodology for developing the allowance and expected losses.

For the year ended December 31, 2025, net reductions to the allowance for credit losses on commercial mortgage and other loans were primarily related to write-downs against loan-specific reserves within agricultural property loans and commercial mortgage loans in the retail sector, partially offset by an increase in loan-specific reserves within the retail sector. For the year ended December 31, 2024, net additions to the allowance for credit losses on commercial mortgage and other loans were primarily related to increases in loan-specific reserves within agricultural property loans and commercial mortgage loans within the retail and office sectors along with the establishment of general reserves for both the collateralized and uncollateralized loan portfolios.

The following table sets forth the write-downs of commercial mortgage and agricultural property loans by origination year for the year ended December 31, 2025:

	December 31, 2025						
	2025	2024	2023	2022	2021	Prior	Total
				(in millions)			
Commercial mortgage loans	$ 0	$ 0	$ 0	$ 0	$ 0	$ 122	$ 122
Agricultural property loans	0	0	13	117	1	19	150
Total	$ 0	$ 0	$ 13	$ 117	$ 1	$ 141	$ 272

For the year ended December 31, 2024, there were $137 million of write-downs of which $132 million was related to a loan originated in 2016 and $5 million related to a loan originated in 2015.

The following tables set forth key credit quality indicators based upon the recorded investment gross of allowance for credit losses, as of the dates indicated:

	December 31, 2025							
	Amortized Cost by Origination Year							
	2025	2024	2023	2022	2021	Prior	Revolving Loans	Total
	(in millions)							
Commercial mortgage loans								
Loan-to-Value Ratio:								
0%-59.99%	$ 2,816	$ 2,088	$ 2,057	$ 1,270	$ 2,570	$ 16,546	$ 62	$ 27,409
60%-69.99%	3,670	4,506	1,873	1,250	1,581	3,048	0	15,928
70%-79.99%	677	711	1,242	506	901	1,948	0	5,985
80% or greater	0	36	0	258	454	4,433	0	5,181
Total	$ 7,163	$ 7,341	$ 5,172	$ 3,284	$ 5,506	$ 25,975	$ 62	$ 54,503
Debt Service Coverage Ratio:								
Greater than 1.2x	$ 6,602	$ 6,779	$ 4,673	$ 2,963	$ 5,333	$ 23,384	$ 45	$ 49,779
1.0 - 1.2x	463	534	499	238	82	885	17	2,718
Less than 1.0x	98	28	0	83	91	1,706	0	2,006
Total	$ 7,163	$ 7,341	$ 5,172	$ 3,284	$ 5,506	$ 25,975	$ 62	$ 54,503
Agricultural property loans								
Loan-to-Value Ratio:								
0%-59.99%	$ 813	$ 624	$ 296	$ 977	$ 1,944	$ 1,927	$ 143	$ 6,724
60%-69.99%	76	140	554	8	15	85	58	936
70%-79.99%	0	0	0	0	0	16	0	16
80% or greater	4	0	5	433	10	104	43	599
Total	$ 893	$ 764	$ 855	$ 1,418	$ 1,969	$ 2,132	$ 244	$ 8,275
Debt Service Coverage Ratio:								
Greater than 1.2x	$ 893	$ 741	$ 799	$ 741	$ 1,849	$ 1,756	$ 201	$ 6,980
1.0 - 1.2x	0	19	40	65	62	148	0	334
Less than 1.0x	0	4	16	612	58	228	43	961
Total	$ 893	$ 764	$ 855	$ 1,418	$ 1,969	$ 2,132	$ 244	$ 8,275

	December 31, 2024							
	Amortized Cost by Origination Year							
	2024	2023	2022	2021	2020	Prior	Revolving Loans	Total
	(in millions)							
Commercial mortgage loans								
Loan-to-Value Ratio:								
0%-59.99%	$ 2,122	$ 1,492	$ 1,183	$ 2,295	$ 1,378	$ 16,652	$ 36	$ 25,158
60%-69.99%	4,726	2,287	1,013	2,192	846	5,113	0	16,177
70%-79.99%	809	1,326	953	1,327	446	2,293	0	7,154
80% or greater	48	135	482	216	281	4,407	0	5,569
Total	$ 7,705	$ 5,240	$ 3,631	$ 6,030	$ 2,951	$ 28,465	$ 36	$ 54,058
Debt Service Coverage Ratio:								
Greater than 1.2x	$ 6,771	$ 4,563	$ 3,283	$ 5,929	$ 2,795	$ 25,790	$ 0	$ 49,131
1.0 - 1.2x	745	527	313	43	102	1,279	36	3,045
Less than 1.0x	189	150	35	58	54	1,396	0	1,882
Total	$ 7,705	$ 5,240	$ 3,631	$ 6,030	$ 2,951	$ 28,465	$ 36	$ 54,058
Agricultural property loans								
Loan-to-Value Ratio:								
0%-59.99%	$ 657	$ 371	$ 877	$ 2,004	$ 679	$ 1,491	$ 122	$ 6,201
60%-69.99%	87	555	125	10	53	43	0	873
70%-79.99%	0	0	0	6	0	3	0	9
80% or greater	0	6	521	0	71	42	52	692
Total	$ 744	$ 932	$ 1,523	$ 2,020	$ 803	$ 1,579	$ 174	$ 7,775
Debt Service Coverage Ratio:								
Greater than 1.2x	$ 688	$ 864	$ 932	$ 1,967	$ 739	$ 1,384	$ 122	$ 6,696
1.0 - 1.2x	56	63	530	45	23	98	52	867
Less than 1.0x	0	5	61	8	41	97	0	212
Total	$ 744	$ 932	$ 1,523	$ 2,020	$ 803	$ 1,579	$ 174	$ 7,775

Residential mortgage loans primarily include fixed-rate, amortizing mortgage loans on rental properties owned by borrowers with FICO scores typically considered prime or above. The primary credit quality indicator is whether a loan is performing or nonperforming. The Company defines nonperforming residential mortgage loans as those that are 90 days or more past due and/or in nonaccrual status.

	December 31, 2025						
	Amortized Cost by Origination Year						
	2025	2024	2023	2022	2021	Prior	Total
	(in millions)						
Residential mortgage loans							
Performance indicators:							
Performing	$ 1,561	$ 57	$ 0	$ 0	$ 0	$ 14	$ 1,632
Nonperforming	0	0	0	0	0	0	0
Total	$ 1,561	$ 57	$ 0	$ 0	$ 0	$ 14	$ 1,632

	December 31, 2024						
	Amortized Cost by Origination Year						
	2024	2023	2022	2021	2020	Prior	Total
	(in millions)						
Residential mortgage loans							
Performance indicators:							
Performing	$ 0	$ 0	$ 0	$ 0	$ 0	$ 19	$ 19
Nonperforming	0	0	0	0	0	0	0
Total	$ 0	$ 0	$ 0	$ 0	$ 0	$ 19	$ 19

See Note 2 for additional information about the Company's commercial mortgage and other loans credit quality monitoring process.

The Company may grant loan modifications in its commercial mortgage and other loan portfolios to borrowers experiencing financial difficulties. These loan modifications may be in the form of principal forgiveness, interest rate reduction, other-than-insignificant payment delay, term extension or some combination thereof. The amount, timing and extent of modifications granted and subsequent performance are considered in determining any allowance for credit losses.

The following tables set forth the amortized cost basis of loan modifications made to borrowers experiencing financial difficulties during the periods indicated:

	December 31, 2025			December 31, 2024		
	Term Extension	Other Than Insignificant Delay in Payment	% of Amortized Cost	Term Extension	Other Than Insignificant Delay in Payment	% of Amortized Cost
	($ in millions)					
Commercial mortgage loans	$ 0	$ 0	0.0 %	$ 337	$ 63	0.1 %
Agricultural property loans	$ 0	$ 0	0.0 %	$ 3	$ 0	0.0 %

During the year ended December 31, 2024, the modifications added less than one year to the weighted average life in both the commercial mortgage and agricultural property loan portfolios.

The Company did not have any commitments to lend additional funds to borrowers experiencing financial difficulties on modified loans as of both December 31, 2025 and 2024.

The following tables set forth an aging of past due commercial mortgage and other loans based upon the recorded investment gross of allowance for credit losses, as well as the amount of commercial mortgage and other loans on non-accrual status, as of the dates indicated:

	December 31, 2025						
	Current	30-59 Days Past Due	60-89 Days Past Due	90 Days or More Past Due(1)(2)	Total Past Due	Total Loans	Non-Accrual Status(3)
	(in millions)						
Commercial mortgage loans	$ 54,349	$ 0	$ 0	$ 154	$ 154	$ 54,503	$ 190
Agricultural property loans	7,443	8	0	824	832	8,275	875
Residential mortgage loans	1,630	2	0	0	2	1,632	0
Other collateralized loans	603	0	0	0	0	603	0
Uncollateralized loans	171	0	0	0	0	171	25
Total	$ 64,196	$ 10	$ 0	$ 978	$ 988	$ 65,184	$ 1,090

(1) As of December 31, 2025, there were no loans in this category accruing interest.
(2) Includes loans for which no credit losses are expected due to U.S. agency guarantees.

(3) For additional information regarding the Company's policies for accruing interest on loans, see Note 2.

	December 31, 2024						
	Current	30-59 Days Past Due	60-89 Days Past Due	90 Days or More Past Due(1)(2)	Total Past Due	Total Loans	Non-Accrual Status(3)
				(in millions)			
Commercial mortgage loans	$ 53,873	$ 0	$ 3	$ 182	$ 185	$ 54,058	$ 220
Agricultural property loans	7,012	0	21	742	763	7,775	767
Residential mortgage loans	19	0	0	0	0	19	0
Other collateralized loans	468	0	0	0	0	468	0
Uncollateralized loans	595	0	0	0	0	595	25
Total	$ 61,967	$ 0	$ 24	$ 924	$ 948	$ 62,915	$ 1,012

(1) As of December 31, 2024, there were no loans in this category accruing interest.
(2) Includes loans for which no credit losses are expected due to U.S. agency guarantees.
(3) For additional information regarding the Company's policies for accruing interest on loans, see Note 2.

Loans on non-accrual status recognized interest of $5 million and $16 million for the years ended December 31, 2025 and 2024, respectively. Loans on non-accrual status that did not have a related allowance for credit losses were $442 million and $207 million as of December 31, 2025 and 2024, respectively.

For the years ended December 31, 2025 and 2024, there were $1,618 million and $0 million, respectively, of residential mortgage loans acquired.

For the years ended December 31, 2025 and 2024, there were no residential mortgage loans sold.

The Company did not have any commercial mortgage and other loans purchased with credit deterioration as of both December 31, 2025 and 2024.

Other Invested Assets

The following table sets forth the composition of "Other invested assets," as of the dates indicated:

	December 31,	
	2025	2024
	(in millions)	
LPs/LLCs:		
Equity method:		
Private equity	$ 10,832	$ 10,615
Hedge funds	2,909	3,143
Real estate-related(1)	2,761	2,661
Subtotal equity method	16,502	16,419
Fair value:		
Private equity	848	1,076
Hedge funds	1,964	2,080
Real estate-related	810	951
Subtotal fair value	3,622	4,107
Total LPs/LLCs	20,124	20,526
Real estate held through direct ownership(1)	1,888	1,743
Total alternative assets	22,012	22,269
Credit-like instruments(2)	1,929	933
Derivative instruments	1,667	1,597
Other(3)	1,686	1,552
Total other invested assets	$ 27,294	$ 26,351

(1) As of December 31, 2025 and 2024, real estate held through direct ownership had mortgage debt of $217 million and $185 million, respectively.
(2) Includes structured debt investments in feeder funds that are consolidated, resulting in the Company reporting the consolidated feeder funds' proportionate share of the net assets of the master fund within Other invested assets.
(3) Primarily includes equity investments accounted for under the measurement alternative, tax advantaged investments, strategic investments made by investment management operations, leveraged leases and member and activity stock held in the Federal Home Loan Bank of New York. For additional information regarding the Company's holdings in the Federal Home Loan Bank of New York, see Note 18.

In certain investment structures, the Company's asset management business invests with other co-investors in an investment fund referred to as a feeder fund. In these structures, the invested capital of several feeder funds is pooled together and used to purchase ownership interests in another fund, referred to as a master fund. The master fund utilizes this invested capital and, in certain cases, other debt financing, to purchase various classes of assets on behalf of its investors. Specialized industry accounting for investment companies calls for the feeder fund to reflect its investment in the master fund as a single net asset equal to its proportionate share of the net assets of the master fund, regardless of its level of interest in the master fund. In cases where the Company consolidates the feeder fund, it retains the feeder fund's net asset presentation and reports the consolidated feeder fund's proportionate share of the net assets of the master fund in "Other long-term investments," with any unaffiliated investors' noncontrolling interests in the feeder fund reported in "Other liabilities" or "Noncontrolling interests." The consolidated feeder funds' investments in these master funds, reflected on this net asset basis, totaled $781 million and $788 million as of December 31, 2025 and 2024, respectively. There were $500 million and $450 million of unaffiliated interests in the consolidated feeder funds as of December 31, 2025 and 2024, respectively, and the master funds had gross assets of $44,434 million and $43,004 million, respectively, and gross liabilities of $42,644 million and $41,370 million, respectively, which are not included on the Company's Consolidated Statements of Financial Position.

Equity Method Investments

The following tables set forth summarized combined financial information for significant LP/LLC interests accounted for under the equity method, including the Company's investments in joint ventures and other operating entities that are described in more detail in Note 9. Changes between periods in the tables below reflect changes in the activities within the joint ventures and other operating entities and LPs/LLCs, as well as changes in the Company's level of investment in such entities:

	December 31,	
	2025	2024
	(in millions)	
STATEMENTS OF FINANCIAL POSITION		
Total assets(1)	$ 1,056,789	$ 803,096
Total liabilities(2)	$ 102,261	$ 59,358
Partners' capital	954,528	743,738
Total liabilities and partners' capital	$ 1,056,789	$ 803,096
Equity in LP/LLC interests included above	$ 17,131	$ 16,586
Equity in LP/LLC interests not included above	787	1,003
Carrying value	$ 17,918	$ 17,589

(1) Amount represents gross assets of each fund where the Company has a significant investment. These assets consist primarily of investments in real estate, investments in securities and other miscellaneous assets.

(2) Amount represents gross liabilities of each fund where the Company has a significant investment. These liabilities consist primarily of third-party borrowed funds, securities repurchase agreements and other miscellaneous liabilities.

	Years Ended December 31,		
	2025	2024	2023
		(in millions)	
STATEMENTS OF OPERATIONS			
Total revenues(1)	$ 118,643	$ 86,249	$ 43,325
Total expenses(2)	(35,549)	(22,327)	(14,551)
Net earnings (losses)	$ 83,094	$ 63,922	$ 28,774
Equity in net earnings (losses) of LP/LLC interests included above	$ 1,460	$ 1,112	$ 620
Equity in net earnings (losses) of LP/LLC interests not included above	(132)	(245)	22
Total equity in net earnings (losses)	$ 1,328	$ 867	$ 642

(1) Amount represents gross revenue of each fund where the Company has a significant investment. This revenue consists of income from investments in real estate, investments in securities and other income.

(2) Amount represents gross expenses of each fund where the Company has a significant investment. These expenses consist primarily of interest expense, investment management fees, salary expenses and other expenses.

Accrued Investment Income

The following table sets forth the composition of "Accrued investment income," as of the dates indicated:

	December 31,	
	2025	2024
	(in millions)	
Fixed maturities	$ 3,089	$ 2,892
Equity securities	11	8
Commercial mortgage and other loans	250	228
Policy loans	230	236
Other invested assets	10	12
Short-term investments and cash equivalents	46	65
Total accrued investment income	$ 3,636	$ 3,441

Write-downs on accrued investment income were $1 million and $2 million for the years ended December 31, 2025 and 2024, respectively.

Net Investment Income

The following table sets forth "Net investment income" by investment type, for the periods indicated:

	Years Ended December 31,		
	2025	2024	2023
		(in millions)	
Fixed maturities, available-for-sale(1)	$ 15,700	$ 14,948	$ 13,305
Fixed maturities, held-to-maturity(1)	0	0	148
Fixed maturities, trading	736	555	292
Assets supporting experience-rated contractholder liabilities	60	56	45
Equity securities	200	206	197
Commercial mortgage and other loans	2,842	2,591	2,279
Policy loans	484	492	499
Other invested assets	1,968	1,326	1,347
Short-term investments and cash equivalents	958	1,171	954
Gross investment income	22,948	21,345	19,066
Less: investment expenses	(1,475)	(1,436)	(1,201)
Net investment income	$ 21,473	$ 19,909	$ 17,865

(1) Includes income on credit-linked notes which are reported on the same financial statement line as related surplus notes, as conditions are met for right to offset.

The carrying value of non-income producing assets included $82 million in fixed maturities, available-for-sale, $8 million in fixed maturities, trading, and $7 million in commercial mortgage and other loans as of December 31, 2025. Non-income producing assets represent investments that had not produced income for the twelve months preceding December 31, 2025.

Realized Investment Gains (Losses), Net

The following table sets forth "Realized investment gains (losses), net" by investment type, for the periods indicated:

	Years Ended December 31,		
	2025	2024	2023
		(in millions)	
Fixed maturities(1)	$ (900)	$ (3,272)	$ (1,311)
Commercial mortgage and other loans	(151)	(236)	(255)
Investment real estate	(10)	0	45
LPs/LLCs	25	57	72
Derivatives	(2,513)	678	(2,234)
Ceded income (loss) on modified coinsurance assets(2)(3)	(597)	(654)	54
Other(2)	14	(2)	14
Realized investment gains (losses), net	$ (4,132)	$ (3,429)	$ (3,615)

(1) Excludes fixed maturity securities classified as trading.
(2) Prior period amounts have been updated to conform to current period presentation.
(3) Includes changes in the value of reinsurance and funds withheld payables, primarily reflecting the impact of net investment income on withheld assets that are ceded to certain reinsurance counterparties.

Net Unrealized Gains (Losses) on Investments within AOCI

The following table sets forth net unrealized gains (losses) on investments, as of the dates indicated:

	December 31,		
	2025	2024	2023
		(in millions)	
Fixed maturity securities, available-for-sale with an allowance	$ (4)	$ 6	$ (72)
Fixed maturity securities, available-for-sale without an allowance	(26,354)	(29,109)	(18,045)
Derivatives designated as cash flow hedges(1)	(231)	1,780	869
Derivatives designated as fair value hedges(1)	(123)	(64)	(60)
Other investments(2)	67	106	57
Net unrealized gains (losses) on investments	$ (26,645)	$ (27,281)	$ (17,251)

(1) For additional information regarding cash flow and fair value hedges, see Note 5.
(2) Includes net unrealized gains (losses) on certain joint ventures that are strategic in nature and are included in "Other assets."

Repurchase Agreements and Securities Lending

In the normal course of business, the Company sells securities under agreements to repurchase and enters into securities lending transactions. The following table sets forth the composition of "Securities sold under agreements to repurchase," as of the dates indicated:

	December 31, 2025				December 31, 2024			
	Remaining Contractual Maturities of the Agreements				Remaining Contractual Maturities of the Agreements			
	Overnight & Continuous	Up to 30 Days	30 to 90 Days	Total	Overnight & Continuous	Up to 30 Days	30 to 90 Days	Total
	(in millions)							
U.S. Treasury securities and obligations of U.S. government authorities and agencies	$ 7,277	$ 1,701	$ 0	$ 8,978	$ 6,450	$ 0	$ 0	$ 6,450
U.S. public corporate securities	0	527	0	527	0	327	0	327
Foreign public corporate securities	0	18	0	18	0	19	0	19
Commercial mortgage-backed securities	75	0	0	75	0	0	0	0
Total securities sold under agreements to repurchase	$ 7,352	$ 2,246	$ 0	$ 9,598	$ 6,450	$ 346	$ 0	$ 6,796

The following table sets forth the composition of "Cash collateral for loaned securities" which represents the liability to return cash collateral received for the following types of securities loaned, as of the dates indicated:

	December 31, 2025			December 31, 2024		
	Remaining Contractual Maturities of the Agreements			Remaining Contractual Maturities of the Agreements		
	Overnight & Continuous	Up to 30 Days	Total	Overnight & Continuous	Up to 30 Days	Total
	(in millions)					
U.S. Treasury securities and obligations of U.S. government authorities and agencies	$ 0	$ 0	$ 0	$ 1	$ 0	$ 1
Obligations of U.S. states and their political subdivisions	45	0	45	46	0	46
Foreign government securities	226	0	226	122	6	128
U.S. public corporate securities	7,068	152	7,220	7,506	403	7,909
Foreign public corporate securities	1,157	16	1,173	1,181	118	1,299
Equity securities	36	0	36	238	0	238
Total cash collateral for loaned securities(1)	$ 8,532	$ 168	$ 8,700	$ 9,094	$ 527	$ 9,621

(1) The Company did not have any agreements with remaining contractual maturities greater than thirty days, as of the dates indicated.

Securities Pledged

The Company pledges as collateral investment securities it owns to unaffiliated parties through certain transactions, including securities lending, securities sold under agreements to repurchase, collateralized borrowings and postings of collateral with derivative counterparties. The following table sets forth the carrying value of investments pledged to third parties, as of the dates indicated:

	December 31,	
	2025	2024
	(in millions)	
Fixed maturities, available-for-sale	$ 30,047	$ 22,891
Fixed maturities, trading	231	201
Separate account assets	275	442
Equity securities	244	476
Short-term investments	0	351
Other	319	357
Total securities pledged(1)	$ 31,116	$ 24,718

(1) These assets are reported on the Company's Consolidated Statements of Financial Position.

The following table sets forth the carrying amount of the associated liabilities supported by the pledged collateral, as of the dates indicated:

	December 31,	
	2025	2024
	(in millions)	
Securities sold under agreements to repurchase	$ 9,598	$ 6,796
Cash collateral for loaned securities	8,700	9,621
Policyholders' account balances(1)	2,501	2,501
Separate account liabilities	284	454
Short-term debt	0	1
Long-term debt	184	99
Other liabilities(2)	6,215	4,762
Total liabilities supported by the pledged collateral	$ 27,482	$ 24,234

(1) Includes funding agreements issued to the Federal Home Loan Bank of New York.
(2) Primarily includes liabilities associated with derivative counterparties.

In the normal course of its business activities, the Company accepts collateral that can be sold or repledged. The primary sources of this collateral are securities in customer accounts, securities purchased under agreements to resell and postings of collateral from OTC derivative counterparties. The fair value of this collateral was $1,532 million as of December 31, 2025 (the largest components of which included $637 million of securities and $895 million of cash from OTC derivative counterparties) and $1,920 million as of December 31, 2024 (the largest components of which included $265 million of securities and $1,655 million of cash from OTC derivative counterparties). A portion of the aforementioned securities, for both periods, had either been sold or repledged.

Assets on Deposit, Held in Trust, and Restricted as to Sale

The following table provides assets on deposit, assets held in trust, and securities restricted as to sale, as of the dates indicated:

	December 31,	
	2025	2024
	(in millions)	
Assets on deposit with governmental authorities or trustees	$ 11	$ 10
Assets held in voluntary trusts(1)	548	533
Assets held in trust related to reinsurance and other agreements(2)	13,564	13,236
Securities restricted as to sale(3)	141	142
Total assets on deposit, assets held in trust and securities restricted as to sale	$ 14,264	$ 13,921

(1) Represents assets held in voluntary trusts established primarily to fund guaranteed dividends to certain policyholders and to fund certain employee benefits.
(2) Represents assets held in trust related to reinsurance agreements excluding reinsurance agreements between wholly-owned subsidiaries. Assets valued at $15.0 billion and $16.0 billion were held in trust related to reinsurance agreements between wholly-owned subsidiaries as of December 31, 2025 and 2024, respectively.
(3) Includes member and activity stock associated with membership in the Federal Home Loan Bank of New York.

4. VARIABLE INTEREST ENTITIES

In the normal course of its activities, the Company enters into relationships with various special-purpose entities and other entities that are deemed to be VIEs. A VIE is an entity that either (1) has equity investors that lack certain essential characteristics of a controlling financial interest (including the ability to control activities of the entity, the obligation to absorb the entity's expected losses and the right to receive the entity's expected residual returns) or (2) lacks sufficient equity to finance its own activities without financial support provided by other entities, which in turn would be expected to absorb at least some of the expected losses of the VIE.

The Company is the primary beneficiary if the Company has (1) the power to direct the activities of the VIE that most significantly impact the economic performance of the entity and (2) the obligation to absorb losses of the entity that could be potentially significant to the VIE or the right to receive benefits from the entity that could be potentially significant. If the Company determines that it is the VIE's primary beneficiary, it consolidates the VIE.

Consolidated Variable Interest Entities

The Company is the investment manager of certain asset-backed investment vehicles, commonly referred to as CLOs, and certain other vehicles for which the Company earns fee income for investment management services. The Company may sell or syndicate investments through these vehicles, principally as part of the strategic investing activity of the Company's investment management businesses. Additionally, the Company may invest in securities issued by these vehicles. The Company is also the investment manager of certain investment structures whose beneficial interests are wholly-owned by consolidated subsidiaries.

The Company has analyzed these relationships and determined that for certain CLOs and other investment structures it is the primary beneficiary and consolidates these entities. This analysis includes a review of (1) the Company's rights and responsibilities as investment manager and (2) variable interests (if any) held by the Company. The assets of these VIEs are restricted and must be used first to settle liabilities of the VIE. The Company is not required to provide, and has not provided, material financial or other support to any of these VIEs.

Additionally, the Company is the primary beneficiary of certain VIEs in which the Company has invested, as part of its investment activities, but for which it is not the investment manager. These include structured investments issued by a VIE that manages yen-denominated investments coupled with cross-currency coupon swap agreements thereby creating synthetic dual currency investments. The Company's involvement in the structuring of these investments combined with its economic interest indicates that the Company is the primary beneficiary. The Company has not provided material financial support or other support that was not contractually required to these VIEs.

The table below reflects the carrying amount and balance sheet caption in which the assets and liabilities of consolidated VIEs are reported. The liabilities primarily comprise obligations under debt instruments issued by the VIEs. The creditors of these VIEs do not have recourse to the Company in excess of the assets contained within the VIEs.

	Consolidated VIEs for which the Company is the Investment Manager(1)		Other Consolidated VIEs	
	December 31,		December 31,	
	2025	2024	2025	2024
	(in millions)			
Fixed maturities, available-for-sale	$ 1,870	$ 1,250	$ 663	$ 716
Fixed maturities, trading	442	166	0	0
Equity securities	106	80	0	0
Commercial mortgage and other loans	583	681	244	490
Other invested assets	8,227	6,379	477	500
Cash and cash equivalents	654	308	0	0
Accrued investment income	12	6	1	3
Other assets	1,594	644	716	613
Total assets of consolidated VIEs	$ 13,488	$ 9,514	$ 2,101	$ 2,322
Other liabilities	$ 603	$ 218	$ 3	$ 1
Notes issued by consolidated VIEs(2)	2,644	1,392	15	38
Total liabilities of consolidated VIEs	$ 3,247	$ 1,610	$ 18	$ 39

(1) Total assets of consolidated VIEs reflect $4,801 million and $3,835 million as of December 31, 2025 and 2024, respectively, related to VIEs whose beneficial interests are wholly-owned by consolidated subsidiaries.

(2) Recourse is limited to the assets of the respective VIE and does not extend to the general credit of the Company. As of December 31, 2025, the maturities of these obligations were between 0 and 14 years.

Unconsolidated Variable Interest Entities

The Company has determined that it is not the primary beneficiary of certain VIEs for which it may or may not be the investment manager. These VIEs consist primarily of CLOs and investment funds for which the Company has determined that it is not the primary beneficiary as it does not have both (1) the power to direct the activities of the VIE that most significantly impact the economic performance of the entity and (2) the obligation to absorb losses of the entity that could be potentially significant to the VIE or the right to receive benefits from the entity that could be potentially significant. The Company's maximum exposure to loss resulting from its relationship with unconsolidated VIEs is limited to its investment in the VIEs, which was $1,484 million and $1,529 million at December 31, 2025 and 2024, respectively. These investments are reflected in "Fixed maturities, available-for-sale," "Fixed maturities, trading," "Equity securities" and "Other invested assets." There are no liabilities associated with these unconsolidated VIEs on the Company's Consolidated Statements of Financial Position.

In addition, in the normal course of its activities, the Company will invest in structured investments including VIEs for which it is not the investment manager. These structured investments typically invest in fixed income investments and are managed by third parties and include asset-backed securities, commercial mortgage-backed securities and residential mortgage-backed securities. The Company's maximum exposure to loss on these structured investments, both VIEs and non-VIEs, is limited to the amount of its investment. See Note 3 for details regarding the carrying amounts and classification of these assets. The Company has not provided material financial or other support that was not contractually required to these structures. The Company has determined that it is not the primary beneficiary of these structures due to the fact that it does not control these entities.

Limited Partnerships and Limited Liability Companies

In the normal course of its activities, the Company will invest in LPs/LLCs which include hedge funds, private equity funds and real estate-related funds and may or may not be VIEs. The Company classifies these investments as "Other invested assets" and its maximum exposure to loss associated with these VIE and non-VIE entities is limited to the amount of its investment, which was $20,509 million and $21,847 million as of December 31, 2025 and 2024, respectively. The Company has determined that it is not required to consolidate these entities because either (1) it does not control them or (2) it does not have the obligation to absorb losses of these entities that could be potentially significant to the entities or the right to receive benefits from the entities that could be potentially significant.

5. DERIVATIVES AND HEDGING

Types of Derivative and Hedging Instruments

Interest Rate Contracts

Interest rate swaps, interest rate total return swaps, options and futures are used by the Company to reduce risks from changes in interest rates, manage interest rate exposures arising from mismatches between assets and liabilities and to hedge against changes in their values it owns or anticipates acquiring or selling.

Swaps may be attributed to specific assets or liabilities or to a portfolio of assets or liabilities. Under interest rate swaps, the Company agrees with counterparties to exchange, at specified intervals, the difference between fixed-rate and floating-rate interest amounts calculated by reference to an agreed upon notional principal amount. Under interest rate total return swaps, the Company agrees with counterparties to exchange, at specified intervals, the difference between the return on a fixed income market index and Secured Overnight Financing Rate ("SOFR") plus an associated funding spread based on a notional amount.

The Company also uses interest rate swaptions, caps, and floors to manage interest rate risk. A swaption is an option to enter into a swap with a forward starting effective date. The Company pays a premium for purchased swaptions and receives a premium for written swaptions. In an interest rate cap, the buyer receives payments at the end of each period in which the interest rate exceeds the agreed strike price. Similarly, in an interest rate floor, the buyer receives payments at the end of each period in which the interest rate is below the agreed strike price. Swaptions, caps and floors are included in interest rate options.

In standardized exchange-traded interest rate futures transactions, the Company purchases or sells a specified number of contracts, the values of which are determined by the daily market values of underlying referenced investments. The Company enters into exchange-traded futures with regulated futures commission's merchants who are members of a trading exchange.

Equity Contracts

Equity options, equity total return swaps, and futures are used by the Company to manage its exposure to the equity markets which impacts the value of assets and liabilities it owns or anticipates acquiring or selling.

Equity index options are contracts which will settle in cash based on differentials in the underlying indices at the time of exercise and the strike price. The Company uses combinations of purchases and sales of equity index options to hedge the effects of adverse changes in equity indices within a predetermined range.

Equity total return swaps are contracts whereby the Company agrees with counterparties to exchange, at specified intervals, the difference between the return on an equity asset (or equity market index) and SOFR plus an associated funding spread based on a notional amount. The Company generally uses equity total return swaps to hedge the effect of adverse changes in equity indices.

In standardized exchange-traded equity futures transactions, the Company purchases or sells a specified number of contracts, the values of which are determined by the daily market values of underlying referenced equity indices. The Company enters into exchange-traded futures with regulated futures commission's merchants who are members of a trading exchange.

Foreign Exchange Contracts

Currency derivatives, including currency futures, options, forwards and swaps, and foreign currency denominated debts are used by the Company to reduce risks from changes in currency exchange rates with respect to investments denominated in foreign currencies that the Company either holds or intends to acquire or sell, and to hedge the currency risk associated with net investments in foreign operations and anticipated earnings of its foreign operations.

Under currency forwards, the Company agrees with counterparties to deliver a specified amount of an identified currency at a specified future date. Typically, the price is agreed upon at the time of the contract and payment for such a contract is made at the specified future date. As noted above, the Company uses currency forwards to mitigate the impact of changes in currency exchange rates on U.S. dollar-equivalent earnings generated by certain of its non-U.S. businesses, primarily its international insurance and investment operations. The Company executes forward sales of the hedged currency in exchange for U.S. dollars

at a specified exchange rate. The maturities of these currency forwards correspond with the future periods in which the non-U.S. dollar-denominated earnings are expected to be generated.

Under currency swaps, the Company agrees with counterparties to exchange, at specified intervals, the difference between one currency and another at an exchange rate and calculated by reference to an agreed principal amount. Generally, the principal amount of each currency is exchanged at the beginning and termination of the currency swap by each party.

Under foreign currency denominated debts, the Company uses a portion of its foreign currency denominated debt (same functional currency of its foreign subsidiaries) to hedge the risk of change in the net investment in a foreign subsidiary due to changes in exchange rates. These debt obligations reduce the Company's foreign currency exposure from equity investment and act as hedge of the investment.

Credit Contracts

The Company writes credit default swaps to gain exposure similar to investment in public fixed maturity cash instruments. With these derivatives the Company sells credit protection on a single name reference, or certain index reference, and in return receives a quarterly premium. This premium or credit spread generally corresponds to the difference between the yield on the referenced name (or an index's referenced names) public fixed maturity cash instruments and swap rates, at the time the agreement is executed. If there is an event of default by the referenced name or one of the referenced names in the index, as defined by the agreement, then the Company is obligated to pay the referenced amount of the contract to the counterparty and receive in return the referenced defaulted security or similar security (in the case of a credit default index) or pay the referenced amount less the auction recovery rate. See credit derivatives section for further discussion of guarantees. In addition to selling credit protection, the Company purchases credit protection using credit derivatives to hedge specific credit exposures in the Company's investment portfolio.

Other Contracts

"To Be Announced" ("TBA") Forward Contracts. The Company uses TBA forward contracts to gain exposure to the investment risk and return of mortgage-backed securities. TBA transactions can help the Company enhance the return on its investment portfolio, and can provide a more liquid and cost-effective method of achieving these goals than purchasing or selling individual mortgage-backed pools. Typically, the price is agreed upon at the time of the contract and payment for such a contract is made at a specified future date. Additionally, pursuant to the Company's mortgage dollar roll program, TBAs or mortgage-backed securities are transferred to counterparties with a corresponding agreement to repurchase them at a future date. These transactions do not qualify as secured borrowings and are accounted for as derivatives.

Loan Commitments. In its mortgage operations, the Company enters into commitments to fund commercial mortgage loans at specified interest rates and other applicable terms within specified periods of time. These commitments are legally binding agreements to extend credit to a counterparty. Loan commitments for loans that will be held for sale are recognized as derivatives and recorded at fair value. The determination of the fair value of loan commitments accounted for as derivatives considers various factors including, among others, terms of the related loan, the intended exit strategy for the loans based upon either securitization valuation models or investor purchase commitments, prevailing interest rates, origination income or expense, and the value of service rights. Loan commitments that relate to the origination of mortgage loans that will be held for investment are not accounted for as derivatives and accordingly are not recognized in the Company's financial statements. See Note 25 for additional information.

Embedded Derivatives. The Company offers certain products (for example, indexed universal life) which may include features that are accounted for as embedded derivatives. These embedded derivatives are carried at fair value through "Realized investment gains (losses), net" based on the change in value of the underlying contractual features, which are determined using valuation models. As part of certain funds withheld reinsurance and modified coinsurance arrangements that are described in Note 15, the reinsurance arrangements may contain embedded derivatives, which would also be carried at fair value through "Realized investment gains (losses), net" based on the total return of the underlying asset portfolio.

Synthetic Guarantees. The Company sells synthetic GICs, through investment-only sales channels, to investment vehicles primarily used by qualified defined contribution pension plans. The synthetic GICs are issued in respect of assets that are owned by the trustees of such plans, who invest the assets according to the contract terms agreed to with the Company. The contracts establish participant balances and credit interest thereon. The participant balances are supported by the underlying assets. In connection with certain participant-initiated withdrawals, the contract guarantees that after all underlying assets are liquidated, any remaining participant balances will be paid by the Company. These contracts are accounted for as derivatives and recorded at fair value.

Primary Risks Managed by Derivatives

The table below provides a summary of the gross notional amount and fair value of derivative contracts by the primary underlying risks they are utilized to manage, excluding embedded derivatives. Many derivative instruments contain multiple underlying risks. The fair value amounts below represent the value of derivative contracts prior to taking into account the netting effects of master netting agreements and cash collateral. These netting impacts resulted in total derivative assets of $1,671 million and $1,601 million as of December 31, 2025 and 2024, respectively, and total derivative liabilities of $6,215 million and $4,751 million as of December 31, 2025 and 2024, respectively, reflected in the Consolidated Statements of Financial Position.

Primary Underlying Risk / Instrument Type	December 31, 2025			December 31, 2024		
		Fair Value			Fair Value	
	Gross Notional	Assets	Liabilities	Gross Notional	Assets	Liabilities
	(in millions)					
Derivatives Designated as Hedge Accounting Instruments:						
Interest Rate						
Interest Rate Swaps	$ 5,083	$ 23	$ (344)	$ 4,260	$ 11	$ (404)
Interest Rate Forwards	10	0	0	10	0	0
Foreign Currency						
Foreign Currency Forwards	4,912	28	(208)	4,771	92	(197)
Currency/Interest Rate						
Foreign Currency Swaps	33,823	1,286	(1,440)	31,301	2,652	(368)
Total Derivatives Designated as Hedge Accounting Instruments	$ 43,828	$ 1,337	$ (1,992)	$ 40,342	$ 2,755	$ (969)
Derivatives Not Qualifying as Hedge Accounting Instruments:						
Interest Rate						
Interest Rate Swaps	$ 244,336	$ 10,825	$ (23,617)	$ 228,392	$ 11,272	$ (24,802)
Interest Rate Futures	12,079	7	(22)	9,773	6	(21)
Interest Rate Options	30,025	134	(1,382)	34,005	430	(1,583)
Interest Rate Forwards	3,658	11	(7)	2,544	9	(80)
Interest Rate Total Return Swaps	1,434	217	(221)	485	4	(2)
Foreign Currency						
Foreign Currency Forwards	34,149	1,356	(1,383)	27,819	1,625	(1,181)
Currency/Interest Rate						
Foreign Currency Swaps	7,318	370	(179)	7,525	658	(129)
Credit						
Credit Default Swaps	5,784	112	0	4,027	90	0
Equity						
Equity Futures	1,033	3	(6)	2,019	6	(7)
Equity Options	200,661	10,378	(9,189)	104,438	4,507	(3,790)
Equity Total Return Swaps	14,973	1,366	(1,159)	9,796	331	(327)
Other						
Other(1)	1,250	0	0	1,250	0	0
Synthetic GICs	75,883	0	0	76,416	1	(1)
Total Derivatives Not Qualifying as Hedge Accounting Instruments	$ 632,583	$ 24,779	$ (37,165)	$ 508,489	$ 18,939	$ (31,923)
Total Derivatives(2)(3)	$ 676,411	$ 26,116	$ (39,157)	$ 548,831	$ 21,694	$ (32,892)

(1) "Other" primarily includes derivative contracts used to improve the balance of the Company's tail longevity and mortality risk. Under these contracts, the Company's gains (losses) are capped at the notional amount.

(2) Excludes embedded derivatives which contain multiple underlying risks. The fair value of these embedded derivatives was a net liability of $18,404 million (including the Prismic funds withheld-related embedded derivative net liability of $194 million) and $11,783 million (including the Prismic funds withheld-related embedded derivative net liability of $(91) million) as of December 31, 2025, and 2024, respectively, primarily included in "Policyholders' account balances" and "Reinsurance and funds withheld payables."

(3) Recorded in "Other invested assets" and "Other liabilities" on the Consolidated Statements of Financial Position.

As of December 31, 2025, the following amounts were recorded on the Consolidated Statements of Financial Position related to the carrying amount of the hedged assets (liabilities) and cumulative basis adjustments included in the carrying amount for fair value hedges:

Balance Sheet Line Item in which Hedged Item is Recorded	December 31, 2025		December 31, 2024	
	Carrying Amount of the Hedged Assets (Liabilities)	Cumulative Amount of Fair Value Hedging Adjustment Included in the Carrying Amount of the Hedged Assets (Liabilities)(1)	Carrying Amount of the Hedged Assets (Liabilities)	Cumulative Amount of Fair Value Hedging Adjustment Included in the Carrying Amount of the Hedged Assets (Liabilities)(1)
	(in millions)			
Fixed maturities, available-for-sale, at fair value	$ 594	$ 11	$ 216	$ 11
Policyholders' account balances	$ (1,588)	$ 299	$ (1,510)	$ 327
Future policy benefits	$ (2,405)	$ 300	$ (2,280)	$ 423

(1) There were no material fair value hedging adjustments for hedged assets and liabilities for which hedge accounting has been discontinued.

Most of the Company's derivatives do not qualify for hedge accounting for various reasons. For example: (i) derivatives that economically hedge embedded derivatives do not qualify for hedge accounting because changes in the fair value of the embedded derivatives are already recorded in net income; (ii) derivatives that are utilized as macro hedges of the Company's exposure to various risks typically do not qualify for hedge accounting because they do not meet the criteria required under portfolio hedge accounting rules; and (iii) synthetic GICs, which are product standalone derivatives, do not qualify as hedging instruments under hedge accounting rules.

Offsetting Assets and Liabilities

The following tables present recognized derivative instruments (excluding embedded derivatives), and repurchase and reverse repurchase agreements that are offset in the Consolidated Statements of Financial Position, and/or are subject to an enforceable master netting arrangement or similar agreement, irrespective of whether they are offset in the Consolidated Statements of Financial Position:

	December 31, 2025				
	Gross Amounts of Recognized Financial Instruments	Gross Amounts Offset in the Statements of Financial Position	Net Amounts Presented in the Statements of Financial Position	Financial Instruments/ Collateral(1)	Net Amount
			(in millions)		
Offsetting of Financial Assets:					
Derivatives	$ 25,990	$ (24,445)	$ 1,545	$ (637)	$ 908
Securities purchased under agreement to resell	0	0	0	0	0
Total Assets	$ 25,990	$ (24,445)	$ 1,545	$ (637)	$ 908
Offsetting of Financial Liabilities:					
Derivatives	$ 39,157	$ (32,942)	$ 6,215	$ (6,011)	$ 204
Securities sold under agreement to repurchase	9,598	0	9,598	(9,523)	75
Total Liabilities	$ 48,755	$ (32,942)	$ 15,813	$ (15,534)	$ 279

	December 31, 2024				
	Gross Amounts of Recognized Financial Instruments	Gross Amounts Offset in the Statements of Financial Position	Net Amounts Presented in the Statements of Financial Position	Financial Instruments/ Collateral(1)	Net Amount
	(in millions)				
Offsetting of Financial Assets:					
Derivatives	$ 21,574	$ (20,093)	$ 1,481	$ (696)	$ 785
Securities purchased under agreement to resell	277	0	277	(277)	0
Total Assets	$ 21,851	$ (20,093)	$ 1,758	$ (973)	$ 785
Offsetting of Financial Liabilities:					
Derivatives	$ 32,891	$ (28,141)	$ 4,750	$ (4,403)	$ 347
Securities sold under agreement to repurchase	6,796	0	6,796	(6,796)	0
Total Liabilities	$ 39,687	$ (28,141)	$ 11,546	$ (11,199)	$ 347

(1) Amounts exclude the excess of collateral received/pledged from/to the counterparty.

For information regarding the rights of offset associated with the derivative assets and liabilities in the table above, see "—Counterparty Credit Risk" below. For securities purchased under agreements to resell and securities sold under agreements to repurchase, the Company monitors the value of the securities and maintains collateral, as appropriate, to protect against credit exposure. Where the Company has entered into repurchase and resale agreements with the same counterparty, in the event of default, the Company would generally be permitted to exercise rights of offset. For additional information regarding the Company's accounting policy for securities repurchase and resale agreements, see Note 2.

Cash Flow, Fair Value and Net Investment Hedges

The primary derivative and non-derivative instruments used by the Company in its fair value, cash flow and net investment hedge accounting relationships are interest rate swaps, currency swaps, currency forwards, and foreign currency denominated debts. These instruments are only designated for hedge accounting in instances where the appropriate criteria are met. The Company does not use futures, options, credit, or equity derivatives in any of its fair value, cash flow or net investment hedge accounting relationships.

The following tables provide the financial statement classification and impact of derivatives used in qualifying and non-qualifying hedge relationships, including the offset of the hedged item in fair value hedge relationships.

	Year Ended December 31, 2025							
	Realized Investment Gains (Losses)	Change in Value of MRBs, Net of Related Hedging Gains (Losses)	Net Investment Income	Other Income (Loss)	Interest Expense	Interest Credited to Policyholders' Account Balances	Policyholders' Benefits	Change in AOCI(1)
	(in millions)							
Derivatives Designated as Hedge Accounting Instruments:								
Fair value hedges								
Gains (losses) on derivatives designated as hedge instruments:								
Interest Rate	$ (5)	$ 0	$ 1	$ 0	$ 0	$ 20	$ (1)	$ 0
Currency	0	0	0	0	0	0	128	0
Total gains (losses) on derivatives designated as hedge instruments	(5)	0	1	0	0	20	127	0
Gains (losses) on the hedged item:								
Interest Rate	2	0	21	0	0	(28)	(5)	0
Currency	0	0	0	0	0	0	(127)	0
Total gains (losses) on hedged item	2	0	21	0	0	(28)	(132)	0
Amortization for gains (losses) excluded from assessment of the effectiveness								
Currency	0	0	0	0	0	0	(14)	(59)
Total amortization for gains (losses) excluded from assessment of the effectiveness	0	0	0	0	0	0	(14)	(59)
Total gains (losses) on fair value hedges net of hedged item	(3)	0	22	0	0	(8)	(19)	(59)
Cash flow hedges								
Interest Rate	0	0	(13)	0	0	0	0	9
Currency	0	0	0	0	0	0	0	(107)
Currency/Interest Rate	7	0	346	(460)	0	0	0	(1,913)
Total gains (losses) on cash flow hedges	7	0	333	(460)	0	0	0	(2,011)
Net investment hedges								
Currency	0	0	0	0	0	0	0	(47)
Currency/Interest Rate	0	0	0	0	0	0	0	0
Total gains (losses) on net investment hedges	0	0	0	0	0	0	0	(47)
Derivatives Not Qualifying as Hedge Accounting Instruments:								
Interest Rate	(47)	(810)	0	0	0	0	0	0
Currency	(684)	0	0	(1)	0	0	0	0
Currency/Interest Rate	(267)	0	0	(7)	0	0	0	0
Credit	96	0	0	0	0	0	0	0
Equity	3,441	(835)	0	0	0	0	0	0
Embedded Derivatives (2)	(4,834)	0	0	0	0	0	0	0
Total gains (losses) on derivatives not qualifying as hedge accounting instruments	(2,295)	(1,645)	0	(8)	0	0	0	0
Total	$ (2,291)	$ (1,645)	$ 355	$ (468)	$ 0	$ (8)	$ (19)	$ (2,117)

	Year Ended December 31, 2024							
	Realized Investment Gains (Losses)	Change in Value of MRBs, Net of Related Hedging Gains (Losses)	Net Investment Income	Other Income (Loss)	Interest Expense	Interest Credited to Policyholders' Account Balances	Policyholders' Benefits	Change in AOCI(1)
	(in millions)							
Derivatives Designated as Hedge Accounting Instruments:								
Fair value hedges								
Gains (losses) on derivatives designated as hedge instruments:								
Interest Rate	$ 8	$ 0	$ 0	$ 0	$ 0	$ (119)	$ (125)	$ 0
Currency	0	0	0	0	0	0	(31)	0
Total gains (losses) on derivatives designated as hedge instruments	8	0	0	0	0	(119)	(156)	0
Gains (losses) on the hedged item:								
Interest Rate	(8)	0	12	0	0	109	95	0
Currency	0	0	0	0	0	0	31	0
Total gains (losses) on hedged item	(8)	0	12	0	0	109	126	0
Amortization for gains (losses) excluded from assessment of the effectiveness								
Currency	0	0	0	0	0	0	(10)	(4)
Total amortization for gains (losses) excluded from assessment of the effectiveness	0	0	0	0	0	0	(10)	(4)
Total gains (losses) on fair value hedges net of hedged item	0	0	12	0	0	(10)	(40)	(4)
Cash flow hedges								
Interest Rate	(15)	0	(16)	0	0	0	0	2
Currency	0	0	0	0	0	0	0	52
Currency/Interest Rate	78	0	328	207	0	0	0	857
Total gains (losses) on cash flow hedges	63	0	312	207	0	0	0	911
Net investment hedges								
Currency	0	0	0	0	0	0	0	27
Currency/Interest Rate	0	0	0	0	0	0	0	0
Total gains (losses) on net investment hedges	0	0	0	0	0	0	0	27
Derivatives Not Qualifying as Hedge Accounting Instruments:								
Interest Rate	(1,554)	(2,313)	0	0	0	0	0	0
Currency	263	0	0	0	0	0	0	0
Currency/Interest Rate	292	0	0	2	0	0	0	0
Credit	109	0	0	0	0	0	0	0
Equity	3,257	(852)	0	0	0	0	0	0
Embedded Derivatives (2)	(1,752)	0	0	0	0	0	0	0
Total gains (losses) on derivatives not qualifying as hedge accounting instruments	615	(3,165)	0	2	0	0	0	0
Total	$ 678	$ (3,165)	$ 324	$ 209	$ 0	$ (10)	$ (40)	$ 934

	Year Ended December 31, 2023							
	Realized Investment Gains (Losses)	Change in Value of MRBs, Net of Related Hedging Gains (Losses)	Net Investment Income	Other Income (Loss)	Interest Expense	Interest Credited to Policyholders' Account Balances	Policyholders' Benefits	Change in AOCI(1)
	(in millions)							
Derivatives Designated as Hedge Accounting Instruments:								
Fair value hedges								
Gains (losses) on derivatives designated as hedge instruments:								
Interest Rate	$ 2	$ 0	$ 0	$ 0	$ 0	$ (31)	$ (39)	$ 0
Currency	(1)	0	(1)	0	0	0	104	0
Total gains (losses) on derivatives designated as hedge instruments	1	0	(1)	0	0	(31)	65	0
Gains (losses) on the hedged item:								
Interest Rate	(2)	0	13	0	0	2	10	0
Currency	1	0	1	0	0	0	(102)	0
Total gains (losses) on hedged item	(1)	0	14	0	0	2	(92)	0
Amortization for gains (losses) excluded from assessment of the effectiveness								
Currency	0	0	0	0	0	0	(8)	(6)
Total amortization for gains (losses) excluded from assessment of the effectiveness	0	0	0	0	0	0	(8)	(6)
Total gains (losses) on fair value hedges net of hedged item	0	0	13	0	0	(29)	(35)	(6)
Cash flow hedges								
Interest Rate	(21)	0	(16)	0	0	0	0	23
Currency	8	0	0	0	0	0	0	(122)
Currency/Interest Rate	74	0	315	(189)	0	0	0	(1,648)
Total gains (losses) on cash flow hedges	61	0	299	(189)	0	0	0	(1,747)
Net investment hedges								
Currency	0	0	0	0	0	0	0	12
Currency/Interest Rate	0	0	0	0	0	0	0	0
Total gains (losses) on net investment hedges	0	0	0	0	0	0	0	12
Derivatives Not Qualifying as Hedge Accounting Instruments:								
Interest Rate	(285)	(1,657)	0	0	0	0	0	0
Currency	(567)	0	0	3	0	0	0	0
Currency/Interest Rate	(211)	0	0	(3)	0	0	0	0
Credit	164	0	0	0	0	0	0	0
Equity	1,751	(929)	0	0	0	0	0	0
Embedded Derivatives (2)	(3,133)	0	0	0	0	0	0	0
Total gains (losses) on derivatives not qualifying as hedge accounting instruments	(2,281)	(2,586)	0	0	0	0	0	0
Total	$ (2,220)	$ (2,586)	$ 312	$ (189)	$ 0	$ (29)	$ (35)	$ (1,741)

(1) Excludes changes related to net investment hedges using non-derivative instruments of $(3) million, $78 million, and $28 million for the years ended December 31, 2025, 2024, and 2023, respectively.

(2) Includes the Prismic funds withheld-related embedded derivative realized gain (loss) of $(284) million, $598 million, and $(508) million for the years ended December 31, 2025, 2024, and 2023 respectively.

Presented below is a rollforward of current period cash flow hedges in AOCI before taxes:

	(in millions)
Balance, December 31, 2022	$ 2,616
Amount recorded in AOCI	
Interest Rate	(15)
Currency	(108)
Currency/Interest Rate	(1,448)
Total amount recorded in AOCI	(1,571)
Amount reclassified from AOCI to income	
Interest Rate	38
Currency	(14)
Currency/Interest Rate	(200)
Total amount reclassified from AOCI to income	(176)
Balance, December 31, 2023	$ 869
Amount recorded in AOCI	
Interest Rate	(28)
Currency	55
Currency/Interest Rate	1,469
Total amount recorded in AOCI	1,496
Amount reclassified from AOCI to income	
Interest Rate	30
Currency	(3)
Currency/Interest Rate	(612)
Total amount reclassified from AOCI to income	(585)
Balance, December 31, 2024	$ 1,780
Amount recorded in AOCI	
Interest Rate	(4)
Currency	(115)
Currency/Interest Rate	(2,020)
Total amount recorded in AOCI	(2,139)
Amount reclassified from AOCI to income	
Interest Rate	13
Currency	8
Currency/Interest Rate	107
Total amount reclassified from AOCI to income	128
Balance, December 31, 2025	$ (231)

The changes in fair value of cash flow hedges are deferred in AOCI and are included in “Net unrealized investment gains (losses)” in the Consolidated Statements of Comprehensive Income; these amounts are then reclassified to earnings when the hedged item affects earnings. Using December 31, 2025 values, it is estimated that a pre-tax gain of approximately $281 million is expected to be reclassified from AOCI to earnings during the subsequent twelve months ending December 31, 2026.

The exposures the Company is hedging with these qualifying cash flow hedges include the variability of future cash flows from forecasted transactions denominated in foreign currencies, the purchases of invested assets, and the receipt or payment of variable interest on existing financial instruments. The maximum length of time over which the Company is hedging its exposure to the variability in future cash flows for forecasted transactions is 26 years.

There were no material amounts reclassified from AOCI into earnings relating to instances in which the Company discontinued cash flow hedge accounting because the forecasted transaction did not occur by the anticipated date or within the

additional time period permitted by the authoritative guidance for the accounting for derivatives and hedging. In addition, there were no instances in which the Company discontinued fair value hedge accounting due to a hedged firm commitment no longer qualifying as a fair value hedge.

For net investment hedges, in addition to derivatives, the Company uses foreign currency denominated debt to hedge the risk of change in the net investment in a foreign subsidiary due to changes in exchange rates. For effective net investment hedges, the amounts, before applicable taxes, recorded in the cumulative translation adjustment within AOCI were $(49) million for the year ended December 31, 2025, $104 million for the year ended December 31, 2024, and $39 million for the year ended December 31, 2023.

Credit Derivatives

The following tables provide a summary of the notional and fair value of written credit protection, presented as assets (liabilities). The Company's maximum amount at risk under these credit derivatives, assuming the value of the underlying referenced securities become worthless, is equal to the notional amounts. These credit derivatives have maturities of less than 10 years for index reference.

	December 31, 2025													
	NAIC Rating Designation of Underlying Credit Obligation(1)													
	NAIC 1		NAIC 2		NAIC 3		NAIC 4		NAIC 5		NAIC 6(2)		Total	
	Gross Notional	Fair Value	Gross Notional	Fair Value	Gross Notional	Fair Value	Gross Notional	Fair Value	Gross Notional	Fair Value	Gross Notional	Fair Value	Gross Notional	Fair Value
	(in millions)													
Single name reference(3)	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Index reference(3)	0	0	0	0	5,043	61	0	0	0	0	741	51	5,784	112
Total	$ 0	$ 0	$ 0	$ 0	$ 5,043	$ 61	$ 0	$ 0	$ 0	$ 0	$ 741	$ 51	$ 5,784	$ 112

	December 31, 2024													
	NAIC Rating Designation of Underlying Credit Obligation(1)													
	NAIC 1		NAIC 2		NAIC 3		NAIC 4		NAIC 5		NAIC 6(2)		Total	
	Gross Notional	Fair Value	Gross Notional	Fair Value	Gross Notional	Fair Value	Gross Notional	Fair Value	Gross Notional	Fair Value	Gross Notional	Fair Value	Gross Notional	Fair Value
	(in millions)													
Single name reference(3)	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Index reference(3)	0	0	0	0	3,365	40	0	0	0	0	662	50	4,027	90
Total	$ 0	$ 0	$ 0	$ 0	$ 3,365	$ 40	$ 0	$ 0	$ 0	$ 0	$ 662	$ 50	$ 4,027	$ 90

(1) The NAIC rating designations are based on availability and the lowest ratings among "Moody's, Standard & Poor's Rating Services ("S&P") and Fitch Ratings Inc. ("Fitch"). If no rating is available from a rating agency, an NAIC 6 rating is used.

(2) The NAIC rating designation is due to approximately 3% and 4% of the index reference name rated as NAIC 6 as of December 31, 2025, and 2024, respectively.

(3) Single name credit default swaps may make reference to the credit of corporate debt, sovereign debt, and structured finance. Index reference NAIC designations are based on the lowest rated single name reference included in the index.

The Company has no exposure on purchased credit protection as of December 31, 2025, and 2024.

Counterparty Credit Risk

The Company is exposed to losses in the event of non-performance by counterparties to financial derivative transactions with a positive fair value. The Company manages credit risk by: (i) entering into derivative transactions with highly rated major financial institutions and other creditworthy counterparties governed by master netting agreements, as applicable; (ii) trading through central clearing and OTC parties; (iii) obtaining collateral, such as cash and securities, when appropriate; and (iv) setting limits on single party credit exposures which are subject to periodic management review.

Substantially all of the Company's derivative agreements have zero thresholds which require daily full collateralization by the party in a liability position. In addition, certain of the Company's derivative agreements contain credit-risk related contingent features; if the credit rating of one of the parties to the derivative agreement is to fall below a certain level, the party with positive fair value could request termination at the then fair value or demand immediate full collateralization from the party whose credit rating fell and is in a net liability position.

As of December 31, 2025, there were no net liability derivative positions with counterparties with credit risk-related contingent features. All derivatives have been appropriately collateralized by the Company or the counterparty in accordance with the terms of the derivative agreements.

6. FAIR VALUE OF ASSETS AND LIABILITIES

Fair Value Measurement—Fair value represents the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The authoritative fair value guidance establishes a framework for measuring fair value that includes a hierarchy used to classify the inputs used in measuring fair value. The level in the fair value hierarchy within which the fair value measurement falls is determined based on the lowest level input that is significant to the fair value measurement. The levels of the fair value hierarchy are as follows:

Level 1—Fair value is based on unadjusted quoted prices in active markets that are accessible to the Company for identical assets or liabilities. The Company's Level 1 assets and liabilities primarily include certain cash equivalents and short-term investments, equity securities and derivative contracts that trade on an active exchange market.

Level 2—Fair value is based on significant inputs, other than quoted prices included in Level 1, that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the asset or liability through corroboration with observable market data. Level 2 inputs include quoted prices in active markets for similar assets and liabilities, quoted prices in markets that are not active for identical or similar assets or liabilities, and other market observable inputs. The Company's Level 2 assets and liabilities include: fixed maturities (corporate public and private bonds, most government securities, certain asset-backed and mortgage-backed securities, etc.), certain equity securities (mutual funds, which do not trade in active markets because they are not publicly available), certain commercial mortgage loans, short-term investments, certain cash equivalents (primarily commercial paper), and certain OTC derivatives.

Level 3—Fair value is based on at least one significant unobservable input for the asset or liability. The assets and liabilities in this category may require significant judgment or estimation in determining the fair value. The Company's Level 3 assets and liabilities primarily include: certain private fixed maturities and equity securities, certain manually priced public equity securities and fixed maturities, certain highly structured OTC derivative contracts, certain consolidated real estate funds for which the Company is the general partner, contracts or contract features pertaining to living benefit features (market risk benefits) of the Company's variable annuity contracts and embedded derivatives associated with the index-linked features of certain universal life and annuity products.

Assets and Liabilities by Hierarchy Level—The tables below present the balances of assets and liabilities reported at fair value on a recurring basis, as of the dates indicated:

	December 31, 2025				
	Level 1	Level 2	Level 3	Netting(1)	Total
			(in millions)		
Fixed maturities, available-for-sale:					
U.S. Treasury securities and obligations of U.S. government authorities and agencies	$ 0	$ 22,179	$ 0	$	$ 22,179
Obligations of U.S. states and their political subdivisions	0	5,460	5		5,465
Foreign government securities	0	50,609	5		50,614
U.S. corporate public securities	0	107,718	63		107,781
U.S. corporate private securities(2)	0	42,007	5,094		47,101
Foreign corporate public securities	0	23,661	42		23,703
Foreign corporate private securities	0	38,425	1,734		40,159
Asset-backed securities(3)	0	15,227	4,102		19,329
Commercial mortgage-backed securities	0	8,890	853		9,743
Residential mortgage-backed securities	0	5,281	100		5,381
Subtotal	0	319,457	11,998		331,455
Assets supporting experience-rated contractholder liabilities:					
U.S. Treasury securities and obligations of U.S. government authorities and agencies	0	245	0		245
Foreign government securities	0	596	0		596
Corporate securities	0	55	0		55
Equity securities	2,225	1,721	0		3,946
Subtotal	2,225	2,617	0		4,842
Market risk benefit assets	0	0	2,330		2,330
Fixed maturities, trading	0	12,556	2,313		14,869
Equity securities	8,052	2,294	626		10,972
Commercial mortgage and other loans	0	793	263		1,056
Other invested assets(4)	301	25,816	1,088	(24,445)	2,760
Short-term investments	116	5,664	1		5,781
Cash equivalents	1,466	11,372	0		12,838
Reinsurance recoverables and deposit receivables	0	206	367		573
Separate account assets(5)(6)	9,419	159,115	211		168,745
Total assets	$ 21,579	$ 539,890	$ 19,197	$ (24,445)	$ 556,221
Market risk benefit liabilities	$ 0	$ 0	$ 4,623	$	$ 4,623
Policyholders' account balances	0	0	18,799		18,799
Reinsurance and funds withheld payables	0	174	0		174
Other liabilities	280	38,877	0	(32,942)	6,215
Notes issued by consolidated VIEs	0	0	767		767
Total liabilities	$ 280	$ 39,051	$ 24,189	$ (32,942)	$ 30,578

	December 31, 2024				
	Level 1	Level 2	Level 3	Netting(1)	Total
			(in millions)		
Fixed maturities, available-for-sale:					
U.S. Treasury securities and obligations of U.S. government authorities and agencies	$ 0	$ 20,348	$ 0	$	$ 20,348
Obligations of U.S. states and their political subdivisions	0	6,098	6		6,104
Foreign government securities	0	57,472	7		57,479
U.S. corporate public securities	0	98,442	66		98,508
U.S. corporate private securities(2)	0	39,848	3,941		43,789
Foreign corporate public securities	0	21,946	36		21,982
Foreign corporate private securities	0	32,675	1,788		34,463
Asset-backed securities(3)	0	15,654	1,480		17,134
Commercial mortgage-backed securities	0	8,420	853		9,273
Residential mortgage-backed securities	0	2,490	0		2,490
Subtotal	0	303,393	8,177		311,570
Assets supporting experience-rated contractholder liabilities:					
U.S. Treasury securities and obligations of U.S. government authorities and agencies	0	220	0		220
Foreign government securities	0	539	0		539
Corporate securities	0	67	0		67
Equity securities	1,522	1,359	0		2,881
Subtotal	1,522	2,185	0		3,707
Market risk benefit assets	0	0	2,331		2,331
Fixed maturities, trading	0	10,544	1,986		12,530
Equity securities	7,154	1,745	518		9,417
Commercial mortgage and other loans	0	469	233		702
Other invested assets(4)	10	21,683	953	(20,093)	2,553
Short-term investments	1,896	6,238	461		8,595
Cash equivalents	326	10,365	0		10,691
Reinsurance recoverables and deposit receivables	0	236	613		849
Separate account assets(5)(6)	8,441	157,999	232		166,672
Total assets	$ 19,349	$ 514,857	$ 15,504	$ (20,093)	$ 529,617
Market risk benefit liabilities	$ 0	$ 0	$ 4,455	$	$ 4,455
Policyholders' account balances	0	0	12,746		12,746
Reinsurance and funds withheld payables	0	(118)	0		(118)
Other liabilities	28	32,863	1	(28,141)	4,751
Notes issued by consolidated VIEs	0	0	60		60
Total liabilities	$ 28	$ 32,745	$ 17,262	$ (28,141)	$ 21,894

(1) "Netting" amounts represent cash collateral of $(8,496) million and $(8,049) million as of December 31, 2025 and 2024, respectively, and the impact of offsetting asset and liability positions held with the same counterparty, subject to master netting agreements.

(2) Excludes notes with fair value of $15,744 million (carrying amount of $15,744 million) and $14,748 million (carrying amount of $14,748 million) as of December 31, 2025 and 2024, respectively, which have been offset with the associated debt under a netting agreement.

(3) Includes credit-tranched securities collateralized by loan obligations, home equity loans, auto loans, education loans and other asset types.

(4) Other invested assets excluded from the fair value hierarchy include certain hedge funds, private equity funds and other funds for which fair value is measured at net asset value ("NAV") per share (or its equivalent) as a practical expedient. As of December 31, 2025 and 2024, the fair value of such investments was $5,526 million and $5,021 million, respectively.

(5) Separate account assets included in the fair value hierarchy exclude investments in entities that calculate NAV per share (or its equivalent) as a practical expedient. Such investments excluded from the fair value hierarchy include investments in real estate, hedge funds and other invested assets. As of December 31, 2025 and 2024, the fair value of such investments was $27,506 million and $26,700 million, respectively.

(6) Separate account assets represent segregated funds that are invested for certain customers. Investment risks associated with market value changes are borne by the customers, except to the extent of minimum guarantees made by the Company with respect to certain accounts. Separate account liabilities are not included in the above table as they are reported at contract value and not fair value in the Company's Consolidated Statements of Financial Position.

The methods and assumptions the Company uses to estimate the fair value of assets and liabilities measured at fair value on a recurring basis are summarized below.

Fixed Maturity Securities—The fair values of the Company's public fixed maturity securities are generally based on prices obtained from independent pricing services. Prices for each security are generally sourced from multiple pricing vendors, and a vendor hierarchy is maintained by asset type based on historical pricing experience and vendor expertise. The Company ultimately uses the price from the pricing service highest in the vendor hierarchy based on the respective asset type. The pricing hierarchy is updated for new financial products and recent pricing experience with various vendors. Consistent with the fair value hierarchy described above, securities with validated quotes from pricing services are generally reflected within Level 2, as they are primarily based on observable pricing for similar assets and/or other market observable inputs. Typical inputs used by these pricing services include but are not limited to, reported trades, benchmark yields, issuer spreads, bids, offers, and/or estimated cash flow, prepayment speeds and default rates. If the pricing information received from third-party pricing services is deemed not reflective of market activity or other inputs observable in the market, the Company may challenge the price through a formal process with the pricing service or classify the securities as Level 3. If the pricing service updates the price to be more consistent with the presented market observations, the security remains within Level 2.

Internally-developed valuations or indicative broker quotes are also used to determine fair value in circumstances where vendor pricing is not available, or where the Company ultimately concludes that pricing information received from the independent pricing services is not reflective of market activity. If the Company concludes the values from both pricing services and brokers are not reflective of market activity, it may override the information with an internally-developed valuation. As of December 31, 2025 and 2024, overrides on a net basis were not material. Pricing service overrides, internally-developed valuations and indicative broker quotes are generally included in Level 3 in the fair value hierarchy.

The Company conducts several specific price monitoring activities. Daily analyses identify price changes over predetermined thresholds defined at the financial instrument level. Various pricing integrity reports are reviewed on a daily and monthly basis to determine if pricing is reflective of market activity or if it would warrant any adjustments. Other procedures performed include, but are not limited to, reviews of third-party pricing services methodologies, reviews of pricing trends and back testing.

The fair values of private fixed maturities, which are originated by internal private asset managers, are primarily determined using discounted cash flow models. These models primarily use observable inputs that include Treasury or similar base rates plus estimated credit spreads to value each security. The credit spreads are obtained through a survey of private market intermediaries who are active in both primary and secondary transactions, and consider, among other factors, the credit quality and the reduced liquidity associated with private placements. Internal adjustments are made to reflect variation in observed sector spreads. Since most private placements are valued using standard market observable inputs and inputs derived from, or corroborated by, market observable data including, but not limited to observed prices and spreads for similar publicly-traded issues, they have been reflected within Level 2. For certain private fixed maturities, the discounted cash flow model may incorporate significant unobservable inputs, which reflect the Company's own assumptions about the inputs that market participants would use in pricing the asset. To the extent management determines that such unobservable inputs are significant to the price of a security, a Level 3 classification is made.

Assets Supporting Experience-Rated Contractholder Liabilities—Assets supporting experience-rated contractholder liabilities consist primarily of fixed maturity securities, equity securities and derivatives whose fair values are determined consistent with similar instruments described above under "Fixed Maturity Securities" and below under "Equity Securities" and "Derivative Instruments."

Equity Securities—Equity securities consist principally of investments in common and preferred stock of publicly-traded companies, perpetual preferred stock, privately-traded securities, as well as mutual fund shares. The fair values of most publicly-traded equity securities are based on quoted prices in active markets for identical assets and are classified within Level 1 in the fair value hierarchy. Estimated fair values for most privately traded equity securities are determined using discounted cash flow, earnings multiple and other valuation models that require a substantial level of judgment around inputs and therefore are classified within Level 3. The fair values of mutual fund shares that transact regularly (but do not trade in active markets

because they are not publicly available) are based on transaction prices of identical fund shares and are classified within Level 2 in the fair value hierarchy. The fair values of perpetual preferred stock are based on inputs obtained from independent pricing services that are primarily based on indicative broker quotes. As a result, the fair values of perpetual preferred stock are classified as Level 3.

Commercial Mortgage and Other Loans—The fair value of loans held and accounted for using the fair value option is determined utilizing pricing indicators from the whole loan market, where investors are committed to purchase these loans at a predetermined price, which is considered the principal exit market for these loans. The Company evaluates the valuation inputs used for these assets, including the existence of predetermined exit prices, the terms of the loans, prevailing interest rates and credit risk, and deems the primary pricing inputs are Level 2 inputs in the fair value hierarchy.

Other Invested Assets—Other invested assets primarily include investments in LPs/LLCs, derivatives and certain limited partnerships which are consolidated because the Company is either deemed to exercise control or considered the primary beneficiary of a variable interest entity. These entities are primarily investment companies and follow specialized industry accounting whereby their assets are carried at fair value. The investments held by these entities include various feeder fund investments in underlying master funds (whose underlying holdings generally include public fixed maturities, equity securities and mutual funds), as well as wholly-owned real estate held within other investment funds. For the unconsolidated fund investments, the fair value is primarily determined by the fund managers and is measured at NAV as a practical expedient.

Reinsurance Recoverables and Deposit Receivables—Reinsurance recoverables and deposit receivables primarily include (1) an embedded derivative on deposit receivables where the Company has ceded fixed indexed annuities; and (2) embedded derivatives associated with receivables from modified coinsurance arrangements where the Company is the reinsurer, and net receivables from modified coinsurance arrangements where the Company is the cedant, and generally reflect the fair value of the invested assets retained by the cedant.

Other Assets—Other assets reflected in Level 3 includes the fair value of strategic investments held and accounted for using the fair value option.

Derivative Instruments—Derivatives are recorded at fair value either as assets, within "Other invested assets" or as liabilities, within "Other liabilities," except for embedded derivatives which are recorded with the associated host contract. The fair values of derivative contracts can be affected by changes in interest rates, foreign exchange rates, commodity prices, credit spreads, market volatility, expected returns, NPR, liquidity and other factors. For derivative positions included within Level 3 of the fair value hierarchy, liquidity valuation adjustments are made to reflect the cost of exiting significant risk positions, and consider the bid-ask spread, maturity, complexity and other specific attributes of the underlying derivative position.

The Company's exchange-traded futures and options include Treasury futures, Eurodollar futures, commodity futures, Eurodollar options and commodity options. Exchange-traded futures and options are valued using quoted prices in active markets and are classified within Level 1 in the fair value hierarchy.

The majority of the Company's derivative positions are traded in the OTC derivative market and are classified within Level 2 in the fair value hierarchy. OTC derivatives classified within Level 2 are valued using models that utilize actively quoted or observable market inputs from external market data providers, third-party pricing vendors and/or recent trading activity. The Company's policy is to use mid-market pricing in determining its best estimate of fair value. The fair values of most OTC derivatives, including interest rate and cross-currency swaps, currency forward contracts, commodity forward contracts, credit default swaps, loan commitments held for sale and to be announced ("TBA") forward contracts on highly rated mortgage-backed securities issued by U.S. government sponsored entities are determined using discounted cash flow models. The fair values of European style option contracts are determined using Black-Scholes option pricing models. These models' key inputs include the contractual terms of the respective contract, along with significant observable inputs, including interest rates, currency rates, credit spreads, equity prices, index dividend yields, NPR, volatility and other factors.

The Company's cleared interest rate swaps and credit derivatives linked to an index are valued using models that utilize actively quoted or observable market inputs, including SOFR, obtained from external market data providers, third-party pricing vendors and/or recent trading activity. These derivatives are classified as Level 2 in the fair value hierarchy.

The majority of the Company's derivative agreements are with highly rated major international financial institutions. To reflect the market's perception of its own and the counterparty's NPR, the Company incorporates additional spreads over SOFR

into the discount rate used in determining the fair value of OTC derivative liabilities after netting of collateral. Rates used to discount expected cash flows to value OTC derivative assets reflect the terms of the Credit Support Annex ("CSA").

Derivatives classified as Level 3 include look-back equity options and other structured products. These derivatives are valued based upon models, such as Monte Carlo simulation models and other techniques that utilize significant unobservable inputs. Level 3 methodologies are validated through periodic comparison of the Company's fair values to external broker-dealer values.

Cash Equivalents and Short-Term Investments—Cash equivalents and short-term investments include money market instruments, commercial paper and other highly liquid debt instruments. Certain money market instruments are valued using unadjusted quoted prices in active markets that are accessible for identical assets and are primarily classified as Level 1. The remaining instruments in this category are generally fair valued based on market observable inputs and these investments have primarily been classified within Level 2.

Separate Account Assets—Separate account assets include mutual funds, fixed maturity securities, treasuries, equity securities, real estate and commercial mortgage loans for which values are determined consistent with similar instruments described above under "Fixed Maturity Securities," "Equity Securities" and "Commercial Mortgage and Other Loans."

Market Risk Benefits—Market risk benefit liabilities (or assets) represent contracts or contract features that provide protection to the contractholder and expose the insurance entity to other than nominal capital market risk, primarily related to deferred annuities with guaranteed minimum benefits in the Retirement Strategies segment including GMDB, GMIB, GMAB, GMWB and GMIWB. The benefits are bundled together and accounted for as single compound market risk benefits using a fair value measurement framework.

The fair value of these market risk benefits is calculated as the present value of expected future benefit payments to contract holders less the present value of expected future rider fees attributable to the market risk benefits. The fair value of these benefit features is based on assumptions a market participant would use in valuing market risk benefits. This methodology could result in either a liability or asset balance, given changing capital market conditions and various actuarial assumptions. Since there is no observable active market for the transfer of these obligations, the valuations are calculated using internally-developed models with option pricing techniques. The models are based on a risk neutral valuation framework and incorporate premiums for risks inherent in valuation techniques, inputs, and the general uncertainty around the timing and amount of future cash flows. The determination of these risk premiums requires the use of management's judgment.

The significant inputs to the valuation models for these market risk benefits include capital market assumptions, such as interest rate levels and volatility assumptions, the Company's market-perceived NPR, as well as actuarially determined assumptions, including contractholder behavior, such as lapse rates, benefit utilization rates, withdrawal rates, and mortality rates. Since many of these assumptions are unobservable and are considered to be significant inputs to the valuations, the assets and liabilities included in market risk benefits have been reflected within Level 3 in the fair value hierarchy.

Capital market inputs and actual policyholders' account values are updated each quarter based on capital market conditions as of the end of the quarter, including interest rates, equity markets and volatility. In the risk neutral valuation, the initial swap curve drives the total return used to grow the policyholders' account values. The Company's discount rate assumption is based on the SOFR swap curve adjusted for an additional spread relative to SOFR to reflect the Company's market-perceived NPR, which is the risk that the obligation will not be fulfilled by the Company. NPR is primarily estimated by utilizing the credit spreads associated with the Company issued funding agreements, adjusted for any illiquidity risk premium. In order to reflect the financial strength ratings of the Company, credit spreads associated with funding agreements, as opposed to credit spread associated with debt, are utilized in developing this estimate because funding agreements, living benefit guarantees, and index-linked interest crediting guarantees are insurance liabilities and are therefore senior to debt.

Actuarial assumptions, including contractholder behavior and mortality, are reviewed at least annually, and updated based upon Company emerging experience and industry studies, future expectations and other data, including any observable market data. These assumptions are generally updated annually unless a material change that the Company feels is indicative of a long-term trend is observed in an interim period.

Policyholders' Account Balances—The liability for policyholders' account balances is related to certain embedded derivative instruments associated with certain universal life and annuity products that provide policyholders with index-linked interest credited over contract specified term periods. The fair values of these liabilities are determined using discounted cash

flow models which include capital market assumptions such as interest rates and equity index volatility assumptions, the Company's market-perceived NPR and actuarially determined assumptions for mortality, lapses and projected hedge costs.

As there is no observable active market for these liabilities, the fair value is determined as the present value of account balances paid to policyholders in excess of contractually guaranteed minimums using option pricing techniques for index term periods that contain deposits as of the valuation date, and the expected option cost for future index term periods, where the terms of index crediting rates have not yet been declared by the Company. Premiums for risks inherent in valuation techniques, inputs, and the general uncertainty around the timing and amount of future cash flows are also incorporated in the fair value of these liabilities. Since the valuation of these liabilities require the use of management's judgement to determine these risk premiums and the use of unobservable inputs, these liabilities are reflected within Level 3 in the fair value hierarchy.

Capital market inputs, including interest rates and equity market volatility, and actual policyholders' account values are updated each quarter. Actuarial assumptions are reviewed at least annually and updated based upon emerging experience, future expectations and other data, including any observable market data. Aside from these annual updates, assumptions are generally updated only if a material change is observed in an interim period that the Company believes is indicative of a long-term trend.

Reinsurance and Funds Withheld Payables—Reinsurance and funds withheld payables primarily includes an embedded derivative associated with certain funds withheld reinsurance arrangements that are described in Note 15 which represents a total return swap associated with the assets supporting the liability to the reinsurer. The fair value is determined based on the valuation of the underlying funds withheld assets identified to support the payable due to the applicable reinsurance counterparties.

Other Liabilities—Other liabilities include certain derivative instruments. The fair values of derivative instruments are determined consistent with those described above under "Derivative Instruments."

Notes issued by Consolidated VIEs—These notes are based on the fair values of corresponding bank loan collateral. Since the notes are valued based on reference collateral, they are classified as Level 3. See Note 4 and "Fair Value Option" below for additional information.

Quantitative Information Regarding Internally-Priced Level 3 Assets and Liabilities—The tables below present quantitative information regarding significant internally-priced Level 3 assets and liabilities:

	December 31, 2025						
	Fair Value	Valuation Techniques	Unobservable Inputs	Minimum	Maximum	Weighted Average	Impact of Increase in Input on Fair Value(1)
	(in millions)						
Assets:							
Corporate securities(2)(3)	$ 7,702	Discounted cash flow	Discount rate	1.10%	25.50%	8.47%	Decrease
		Market comparables	EBITDA multiple(4)	5.5X	8.5X	7.5X	Increase
		Liquidation	Liquidation value	12.01%	39.00%	30.18%	Increase
Asset backed securities	$ 1,767	Discounted cash flow	Discount rate	2.10%	10.05%	6.10%	Decrease
			Liquidity premium	1.50%	2.60%	1.89%	Decrease
Commercial mortgage-backed securities	$ 853	Discounted cash flow	Liquidity premium	0.90%	0.90%	0.90%	Decrease
Market risk benefit assets(6)	$ 2,330	Discounted cash flow	Lapse rate(8)	1%	20%		Increase
			Spread over SOFR(9)	0.38%	1.61%		Increase
			Utilization rate(10)	37%	94%		Decrease
			Withdrawal rate	See table footnote (11) below.			
			Mortality rate(12)	0%	16%		Increase

			Equity volatility curve	15%	25%		Decrease
Equity securities	$ 214	Discounted cash flow(5)	Discount rate(5)	40%	40%		Decrease
		Market comparables	EBITDA multiple(4)	7.0X	7.0X	7.0X	Increase
		Net Asset Value	Share price	$3	$1,809	$778	Increase
Commercial mortgage and other loans	$ 263	Discounted cash flow	Spread	2.15%	3.10%	2.63%	Decrease
Reinsurance recoverables and deposit receivables	$ 367	Discounted cash flow	Lapse rate(8)	1%	50%		Increase
			Spread over SOFR(9)	0.38%	1.61%		Increase
			Option Budget(13)	0%	6%		Decrease
Liabilities:							
Market risk benefit liabilities(6)	$ 4,623	Discounted cash flow	Lapse rate(8)	1%	20%		Decrease
			Spread over SOFR(9)	0.38%	1.61%		Decrease
			Utilization rate(10)	37%	94%		Increase
			Withdrawal rate		See table footnote (11) below.		
			Mortality rate(12)	0%	16%		Decrease
			Equity volatility curve	15%	25%		Increase
Policyholders' account balances(7)	$ 18,716	Discounted cash flow	Lapse rate(8)	0%	80%		Decrease
			Spread over SOFR(9)	0.38%	1.61%		Decrease
			Mortality rate(12)	0%	23%		Decrease
			Option Budget(13)	(2)%	9%		Increase
Notes issued by consolidated VIEs	$ 382	Liquidation	Liquidation value	100.00%	100.00%	100.00%	Increase

	December 31, 2024						
	Fair Value	Valuation Techniques	Unobservable Inputs	Minimum	Maximum	Weighted Average	Impact of Increase in Input on Fair Value(1)
	(in millions)						
Assets:							
Corporate securities(2)(3)	$ 6,763	Discounted cash flow	Discount rate	0.95%	20.00%	10.36%	Decrease
		Market comparables	EBITDA multiple(4)	3.0X	8.8X	7.6X	Increase
		Liquidation	Liquidation value	75.00%	75.00%	75.00%	Increase
Asset backed securities	$ 529	Discounted cash flow	Discount rate	2.30%	10.70%	6.08%	Decrease
Commercial mortgage-backed securities	$ 853	Discounted cash flow	Liquidity premium	1.00%	1.00%	1.00%	Decrease
Market risk benefit assets(6)	$ 2,331	Discounted cash flow	Lapse rate(8)	1%	20%		Increase
			Spread over SOFR(9)	0.29%	1.71%		Increase
			Utilization rate(10)	37%	94%		Decrease
			Withdrawal rate		See table footnote (11) below.		
			Mortality rate(12)	0%	16%		Increase
			Equity volatility curve	16%	25%		Decrease
Equity securities	$ 209	Discounted cash flow	Discount rate(5)	0.16%	40%		Decrease
		Market comparables	EBITDA multiple(4)	5.5X	12.2X	6.0X	Increase
		Net Asset Value	Share price	$3	$1,810	$779	Increase
Reinsurance recoverables and deposit receivables	$ 613	Discounted cash flow	Lapse rate(8)	1%	50%		Increase
			Spread over SOFR(9)	0.29%	1.71%		Increase
			Option Budget(13)	0%	6%		Decrease
Liabilities:							
Market risk benefit liabilities(6)	$ 4,455	Discounted cash flow	Lapse rate(8)	1%	20%		Decrease
			Spread over SOFR(9)	0.29%	1.71%		Decrease
			Utilization rate(10)	37%	94%		Increase
			Withdrawal rate		See table footnote (11) below.		
			Mortality rate(12)	0%	16%		Decrease
			Equity volatility curve	16%	25%		Increase
Policyholders' account balances(7)	$ 12,741	Discounted cash flow	Lapse rate(8)	0%	80%		Decrease
			Spread over SOFR(9)	0.29%	1.73%		Decrease
			Mortality rate(12)	0%	23%		Decrease
			Option Budget(13)	(1)%	7%		Increase

(1) Conversely, the impact of a decrease in input would have the opposite impact on fair value as that presented in the table.

(2) Includes assets classified as fixed maturities available-for-sale, assets supporting experience-rated contractholder liabilities and fixed maturities, trading.
(3) Excludes notes which have been offset with the associated debt under a netting agreement.
(4) Represents multiple of earnings before interest, taxes, depreciation and amortization ("EBITDA"), and are amounts used when the Company has determined that market participants would use such multiples when valuing the investments.
(5) For these investments, a range of discount rates is typically used and is therefore a more meaningful representation of the unobservable inputs used in the valuation rather than a weighted average.
(6) Market risk benefits primarily represent fair value for all living benefit guarantees including accumulation, withdrawal and income benefits. Since the valuation methodology for these assets and liabilities uses a range of inputs that vary at the contract level over the cash flow projection period, presenting a range, rather than a weighted average, is a more meaningful representation of the unobservable inputs used in the valuation.
(7) Policyholders' account balances primarily represent general account liabilities for the index-linked interest credited on certain of the Company's life and annuity products that are accounted for as embedded derivatives. Since the valuation methodology for these liabilities uses a range of inputs that vary at the contract level over the cash flow projection period, presenting a range, rather than a weighted average, is a more meaningful representation of the unobservable inputs used in the valuation.
(8) Lapse rates for contracts with living benefit guarantees are adjusted at the contract level based on the in-the-moneyness of the living benefit and reflect other factors, such as the applicability of any surrender charges. Lapse rates are reduced when contracts are more in-the-money. Lapse rates for contracts with index-linked crediting guarantees may be adjusted at the contract level based on the applicability of any surrender charges, product type, and market related factors such as interest rates. Lapse rates are also generally assumed to be lower for the period where surrender charges apply. For any given contract, lapse rates vary throughout the period over which cash flows are projected for the purposes of valuing these balances.
(9) The spread over the SOFR swap curve represents the premium added to the proxy for the risk-free rate (SOFR) to reflect the Company's estimates of rates that a market participant would use to value the living benefits in both the accumulation and payout phases and index-linked interest crediting guarantees as of December 31, 2025 and 2024, respectively. This spread includes an estimate of NPR, which is the risk that the obligation will not be fulfilled by the Company. NPR is primarily estimated by utilizing the credit spreads associated with issuing funding agreements, adjusted for any illiquidity risk premium. In order to reflect the financial strength ratings of the Company, credit spreads associated with funding agreements, as opposed to credit spread associated with debt, are utilized in developing this estimate because funding agreements are insurance liabilities and are therefore senior to debt. Effective April 2023, the Company entered into an agreement with The Ohio National Life Insurance Company, now known as AuguStar Life Insurance Company ("AuguStar"), an affiliate of Constellation Insurance Holdings, Inc., to reinsure approximately $10 billion of account values of PDI traditional variable annuity contracts with guaranteed living benefits. See Note 15 for additional information regarding this transaction. As a result of this transaction, a ceded MRB asset balance was established to fair value the reinsurance reimbursements to the Company. The establishment of the fair value also required an estimate of NPR for AuguStar, which may differ from the Company's; however, the NPR spreads for AuguStar were developed using a methodology similar to that of the Company.
(10) The utilization rate assumption estimates the percentage of contracts that will utilize the benefit during the contract duration, and begin lifetime withdrawals at various time intervals from contract inception. The remaining contractholders are assumed to either begin lifetime withdrawals immediately or never utilize the benefit. Utilization assumptions may vary by product type, tax status and age. The impact of changes in these assumptions is highly dependent on the product type, the age of the contractholder at the time of the sale, and the timing of the first lifetime income withdrawal. Range reflects the utilization rate for the vast majority of business with living benefits.
(11) The withdrawal rate assumption estimates the magnitude of annual contractholder withdrawals relative to the maximum allowable amount under the contract. These assumptions vary based on the age of the contractholder, the tax status of the contract and the duration since the contractholder began lifetime withdrawals. As of both December 31, 2025 and 2024, the minimum withdrawal rate assumption is 78% and the maximum withdrawal rate assumption may be greater than 100%. The fair value of the liability will generally increase the closer the withdrawal rate is to 100% and decrease as the withdrawal rate moves further away from 100%.
(12) The range reflects the mortality rates for the vast majority of business with living benefits and other contracts, with policyholders ranging from 50 to 90 years old. While the majority of living benefits have a minimum age requirement, certain other contracts do not have an age restriction. This results in contractholders with mortality rates approaching 0% for certain benefits. Mortality rates may vary by product, age and duration. A mortality improvement assumption is also incorporated into the overall mortality table.
(13) Option budget estimates the expected long-term cost of options used to hedge exposures associated with equity price and interest rate changes. The level of option budget determines future costs of the options, which impacts the growth in account value and the valuation of embedded derivatives.

Interrelationships Between Unobservable Inputs—In addition to the sensitivities of fair value measurements to changes in each unobservable input in isolation, as reflected in the table above, interrelationships between these inputs may also exist, such that a change in one unobservable input may give rise to a change in another or multiple inputs. Examples of such interrelationships for significant internally-priced Level 3 assets and liabilities are as follows:

Corporate Securities—The rate used to discount future cash flows reflects current risk-free rates plus credit and liquidity spread requirements that market participants would use to value an asset. The discount rate may be influenced by many factors, including market cycles, expectations of default, collateral, term and asset complexity. Each of these factors can influence discount rates, either in isolation, or in response to other factors. During weaker economic cycles, as the expectations of default increase, credit spreads widen, which results in a decrease in fair value.

Commercial Mortgage-backed Securities—Interrelationships may exist between the prepayment rate, the default rate and/or loss severity, depending on specific market conditions. In stronger economic cycles, prepayment rates are generally driven by underlying property appreciation and subsequent cash-out refinances, while default rates and loss severity may be lower. During weaker economic cycles, prepayment rates may decline, while default rates and loss severity increase. Generally, a change in the assumption used for the probability of default would be accompanied by a directionally similar change in the assumption used for the loss severity and a directionally opposite change in the assumption used for prepayment rates. The impact of these factors on average life and economics varies with the deal structure and tranche subordination.

Market Risk Benefits—The Company expects efficient benefit utilization and withdrawal rates to generally be correlated with lapse rates. However, behavior is generally highly dependent on the facts and circumstances surrounding the individual contractholder, such as their liquidity needs or tax situation, which could drive lapse behavior independent of other contractholder behavior assumptions. To the extent more efficient contractholder behavior results in greater in-the-moneyness at the contract level, lapse rates may decline for those contracts. Similarly, to the extent that increases in equity volatility are correlated with overall declines in the capital markets, lapse rates may decline as contracts become more in-the-money.

Changes in Level 3 Assets and Liabilities—The following tables describe changes in fair values of Level 3 assets and liabilities as of the dates indicated, as well as the portion of gains or losses included in income attributable to unrealized gains or losses related to those assets and liabilities still held at the end of their respective periods (excluding MRBs disclosed in Note 14). When a determination is made to classify assets and liabilities within Level 3, the determination is based on significance of the unobservable inputs in the overall fair value measurement. All transfers are based on changes in the observability of the valuation inputs, including the availability of pricing service information that the Company can validate. Transfers into Level 3 are generally the result of unobservable inputs utilized within valuation methodologies and the use of indicative broker quotes for assets that were previously valued using observable inputs. Transfers out of Level 3 are generally due to the use of observable inputs in valuation methodologies as well as the availability of pricing service information for certain assets that the Company can validate.

	Year Ended December 31, 2025(6)										
	Fair Value, beginning of period	Total realized and unrealized gains (losses)	Purchases	Sales	Issuances	Settlements	Other(1)	Transfers into Level 3(7)	Transfers out of Level 3(7)	Fair Value, end of period	Unrealized gains (losses) for assets still held(2)
	(in millions)										
Fixed maturities, available-for-sale:											
U.S. states	$ 6	$ 0	$ 0	$ 0	$ 0	$ (1)	$ 0	$ 0	$ 0	$ 5	$ 0
Foreign government	7	0	0	0	0	(2)	0	0	0	5	0
Corporate securities(3)	5,831	(131)	2,682	(547)	0	(1,210)	(42)	413	(63)	6,933	(165)
Structured securities(4)	2,333	44	2,902	(169)	0	(513)	(174)	1,220	(588)	5,055	50
Other assets:											
Fixed maturities, trading	1,986	(54)	1,725	(324)	0	(542)	181	30	(689)	2,313	(86)
Equity securities	518	5	246	(82)	0	(3)	(8)	131	(181)	626	(7)
Commercial mortgage and other loans	233	(1)	0	0	31	0	0	0	0	263	0
Other invested assets	953	(14)	196	(46)	0	(2)	1	0	0	1,088	(15)
Short-term investments	461	(1)	39	(453)	0	(62)	(5)	22	0	1	0
Cash equivalents	0	0	12	0	0	(10)	(2)	0	0	0	0
Reinsurance recoverables and deposit receivables	613	(29)	94	0	0	(75)	(236)	0	0	367	(104)
Other assets	0	0	0	0	0	0	0	0	0	0	0
Separate account assets	232	20	99	(51)	0	(68)	0	4	(25)	211	13
Liabilities:											
Policyholders' account balances(5)	(12,746)	(4,475)	0	0	(1,570)	0	(8)	0	0	(18,799)	616
Other liabilities	(1)	1	0	0	0	0	0	0	0	0	1
Notes issued by consolidated VIEs	(60)	5	0	0	(507)	193	(398)	0	0	(767)	2

	Year Ended December 31, 2025								
	Total realized and unrealized gains (losses)					Unrealized gains (losses) for assets and liabilities still held(2)			
	Realized investment gains (losses), net	Other income (loss)	Interest credited to policyholders' account balances	Included in other comprehensive income (loss)	Net investment income	Realized investment gains (losses), net	Other income (loss)	Interest credited to policyholders' account balances	Included in other comprehensive income (loss)
					(in millions)				
Fixed maturities, available-for-sale	$ (162)	$ 0	$ 0	$ 80	$ (5)	$ (190)	$ 0	$ 0	$ 75
Other assets:									
Fixed maturities, trading	0	(54)	0	0	0	0	(86)	0	0
Equity securities	0	5	0	0	0	0	(7)	0	0
Commercial mortgage and other loans	(1)	0	0	0	0	0	0	0	0
Other invested assets	(1)	(14)	0	0	1	(1)	(14)	0	0
Short-term investments	0	0	0	(1)	0	0	0	0	0
Cash equivalents	0	0	0	0	0	0	0	0	0
Reinsurance recoverables and deposit receivables	(29)	0	0	0	0	(104)	0	0	0
Other assets	0	0	0	0	0	0	0	0	0
Separate account assets	0	0	20	0	0	0	0	13	0
Liabilities:									
Policyholders' account balances	(4,475)	0	0	0	0	616	0	0	0
Other liabilities	1	0	0	0	0	1	0	0	0
Notes issued by consolidated VIEs	0	5	0	0	0	0	2	0	0

	Year Ended December 31, 2024(6)										
	Fair Value, beginning of period	Total realized and unrealized gains (losses)	Purchases	Sales	Issuances	Settlements	Other(1)	Transfers into Level 3(7)	Transfers out of Level 3(7)	Fair Value, end of period	Unrealized gains (losses) for assets still held(2)
						(in millions)					
Fixed maturities, available-for-sale:											
U.S. states	$ 7	$ 0	$ 0	$ 0	$ 0	$ 0	$ (1)	$ 0	$ 0	$ 6	$ (1)
Foreign government	8	0	0	0	0	(1)	0	0	0	7	0
Corporate securities(3)	4,806	(253)	2,181	(145)	0	(806)	(144)	250	(58)	5,831	(227)
Structured securities(4)	1,297	5	2,764	(244)	0	(125)	(494)	67	(937)	2,333	(2)
Other assets:											
Fixed maturities, trading	429	(67)	1,826	(56)	0	(218)	1	466	(395)	1,986	(64)
Equity securities	512	(22)	153	(55)	0	(67)	5	2	(10)	518	(6)
Commercial mortgage and other loans	0	0	0	0	210	0	23	0	0	233	0
Other invested assets	846	(85)	175	(2)	0	0	19	0	0	953	(85)
Short-term investments	29	0	488	(25)	0	(6)	(25)	0	0	461	1
Cash equivalents	4	0	5	0	0	0	(9)	0	0	0	0
Reinsurance recoverables and deposit receivables	224	144	223	0	0	(66)	88	0	0	613	78
Other assets	11	0	8	0	0	0	(19)	0	0	0	0
Separate account assets	1,094	(61)	322	(1,061)	0	(14)	0	12	(60)	232	(24)
Liabilities:											
Policyholders' account balances(5)	(7,752)	(2,785)	0	0	(2,254)	0	45	0	0	(12,746)	1,165
Other liabilities	(1)	0	0	0	0	0	0	0	0	(1)	0
Notes issued by consolidated VIEs	(778)	(5)	0	0	(60)	0	783	0	0	(60)	0

	Year Ended December 31, 2024									
	Total realized and unrealized gains (losses)					Unrealized gains (losses) for assets and liabilities still held(2)				
	Realized investment gains (losses), net	Other income (loss)	Interest credited to policyholders' account balances	Included in other comprehensive income (loss)	Net investment income	Realized investment gains (losses), net	Other income (loss)	Interest credited to policyholders' account balances	Included in other comprehensive income (loss)	
	(in millions)									
Fixed maturities, available-for-sale	$ (269)	$ 0	$ 0	$ 22	$ (1)	$ (240)	$ 0	$ 0	$ 10	
Other assets:										
Fixed maturities, trading	0	(69)	0	0	2	0	(64)	0	0	
Equity securities	0	(22)	0	0	0	0	(6)	0	0	
Commercial mortgage and other loans	0	0	0	0	0	0	0	0	0	
Other invested assets	(1)	(84)	0	0	0	(1)	(84)	0	0	
Short-term investments	(1)	0	0	0	1	0	0	0	1	
Cash equivalents	0	0	0	0	0	0	0	0	0	
Reinsurance recoverables and deposit receivables	144	0	0	0	0	78	0	0	0	
Other assets	0	0	0	0	0	0	0	0	0	
Separate account assets	0	0	(61)	0	0	0	0	(24)	0	
Liabilities:										
Policyholders' account balances	(2,785)	0	0	0	0	1,165	0	0	0	
Other liabilities	0	0	0	0	0	0	0	0	0	
Notes issued by consolidated VIEs	0	(5)	0	0	0	0	0	0	0	

	Year Ended December 31, 2023									
	Total realized and unrealized gains (losses)					Unrealized gains (losses) for assets and liabilities still held(2)				
	Realized investment gains (losses), net	Other income (loss)	Interest credited to policyholders' account balances	Included in other comprehensive income (loss)	Net investment income	Realized investment gains (losses), net	Other income (loss)	Interest credited to policyholders' account balances	Included in other comprehensive income (loss)	
	(in millions)									
Fixed maturities, available-for-sale	$ (25)	$ 0	$ 0	$ (5)	$ 9	$ (7)	$ 0	$ 0	$ (30)	
Other assets:										
Fixed maturities, trading	0	9	0	0	2	0	5	0	0	
Equity securities	(1)	27	0	0	0	0	12	0	0	
Commercial mortgage and other loans	0	0	0	0	0	0	0	0	0	
Other invested assets	(4)	(34)	0	0	0	(4)	(34)	0	0	
Short-term investments	3	0	0	0	2	0	0	0	0	
Cash equivalents	0	0	0	0	0	0	0	0	0	
Reinsurance recoverables and deposit receivables	(40)	0	0	0	0	(63)	0	0	0	
Other assets	0	0	0	0	0	0	0	0	0	
Separate account assets	0	0	55	0	0	0	0	42	0	
Liabilities:										
Policyholders' account balances	(2,601)	0	0	0	0	(322)	0	0	0	
Other liabilities	0	0	0	0	0	0	0	0	0	
Notes issued by consolidated VIEs	0	9	0	0	0	0	9	0	0	

(1) "Other" includes additional activity not allocated to the specific categories within the rollforward of Level 3 Assets and Liabilities.
(2) Unrealized gains or losses related to assets still held at the end of the period do not include amortization or accretion of premiums and discounts.
(3) Includes U.S. corporate public, U.S. corporate private, foreign corporate public and foreign corporate private securities.
(4) Includes asset-backed, commercial mortgage-backed and residential mortgage-backed securities.
(5) Issuances and settlements for Policyholders' account balances are presented net in the rollforward.
(6) Excludes MRB assets of $2,330 million and $2,331 million and MRB liabilities of $4,623 million and $4,455 million as of December 31, 2025 and 2024, respectively. See Note 14 for additional information.
(7) Transfers into or out of Level 3 are generally reported at the value as of the beginning of the quarter in which the transfers occur for any such positions still held at the end of the quarter.

Derivative Fair Value Information

The following tables present the balances of certain derivative assets and liabilities measured at fair value on a recurring basis, as of the dates indicated, by the primary underlying risks they are used to manage. These tables include NPR and exclude embedded derivatives. The derivative assets and liabilities shown below are included in "Other invested assets" or "Other liabilities" in the tables contained within the sections "—Assets and Liabilities by Hierarchy Level" and "—Changes in Level 3 Assets and Liabilities," above.

	As of December 31, 2025				
	Level 1	Level 2	Level 3	Netting(1)	Total
			(in millions)		
Derivative Assets:					
Interest Rate	$ 7	$ 11,210	$ 0	$	$ 11,217
Currency	0	1,384	0		1,384
Credit	0	112	0		112
Currency/Interest Rate	0	1,656	0		1,656
Equity	293	11,454	0		11,747
Netting(1)				(24,445)	(24,445)
Total derivative assets	$ 300	$ 25,816	$ 0	$ (24,445)	$ 1,671
Derivative Liabilities:					
Interest Rate	$ 22	$ 25,571	$ 0	$	$ 25,593
Currency	0	1,591	0		1,591
Credit	0	0	0		0
Currency/Interest Rate	0	1,619	0		1,619
Equity	258	10,096	0		10,354
Netting(1)				(32,942)	(32,942)
Total derivative liabilities	$ 280	$ 38,877	$ 0	$ (32,942)	$ 6,215

	As of December 31, 2024				
	Level 1	Level 2	Level 3	Netting(1)	Total
			(in millions)		
Derivative Assets:					
Interest Rate	$ 7	$ 11,725	$ 1	$	$ 11,733
Currency	0	1,717	0		1,717
Credit	0	90	0		90
Currency/Interest Rate	0	3,310	0		3,310
Equity	3	4,841	0		4,844
Netting(1)				(20,093)	(20,093)
Total derivative assets	$ 10	$ 21,683	$ 1	$ (20,093)	$ 1,601
Derivative Liabilities:					
Interest Rate	$ 21	$ 26,871	$ 1	$	$ 26,893
Currency	0	1,378	0		1,378
Credit	0	0	0		0
Currency/Interest Rate	0	497	0		497
Equity	7	4,117	0		4,124
Netting(1)				(28,141)	(28,141)
Total derivative liabilities	$ 28	$ 32,863	$ 1	$ (28,141)	$ 4,751

(1) "Netting" amounts represent cash collateral and the impact of offsetting asset and liability positions held with the same counterparty, subject to master netting agreements.

Changes in Level 3 Derivative Assets and Liabilities—The following tables provide a summary of the changes in fair value of Level 3 derivative assets and liabilities as of the dates indicated, as well as the portion of gains or losses included in income attributable to unrealized gains or losses related to those assets and liabilities still held at the end of their respective periods:

	Year Ended December 31, 2025										
	Fair Value, beginning of period	Total realized and unrealized gains (losses) (1)	Purchases	Sales	Issuances	Settlements	Other	Transfers into Level 3 (2)	Transfers out of Level 3 (2)	Fair Value, end of period	Unrealized gains (losses) for assets still held (1)
	(in millions)										
Net Derivative - Equity	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Net Derivative - Interest Rate	0	0	0	0	0	0	0	0	0	0	0

	Year Ended December 31, 2024										
	Fair Value, beginning of period	Total realized and unrealized gains (losses) (1)	Purchases	Sales	Issuances	Settlements	Other	Transfers into Level 3 (2)	Transfers out of Level 3 (2)	Fair Value, end of period	Unrealized gains (losses) for assets still held (1)
	(in millions)										
Net Derivative - Equity	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Net Derivative - Interest Rate	0	0	0	0	0	0	0	0	0	0	0

	Year Ended December 31, 2023										
	Fair Value, beginning of period	Total realized and unrealized gains (losses) (1)	Purchases	Sales	Issuances	Settlements	Other	Transfers into Level 3 (2)	Transfers out of Level 3 (2)	Fair Value, end of period	Unrealized gains (losses) for assets still held (1)
	(in millions)										
Net Derivative - Equity	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Net Derivative - Interest Rate	0	0	0	0	0	0	0	0	0	0	0

(1) Total realized and unrealized gains (losses) as well as unrealized gains (losses) for assets still held at the end of the period are recorded in “Realized investment gains (losses), net.”
(2) Transfers into or out of Level 3 are generally reported at the value as of the beginning of the quarter in which the transfers occur for any such positions still held at the end of the quarter.

Nonrecurring Fair Value Measurements—The following tables represent information for assets measured at fair value on a nonrecurring basis. The fair value measurement is nonrecurring as these assets are measured at fair value only when there is a triggering event (e.g., an evidence of impairment). Assets included in the table are those that were adjusted to fair value during the respective reporting periods and that are still held as of the reporting date. The estimated fair values for these amounts were determined using significant unobservable inputs (Level 3).

	Year Ended December 31,		
	2025	2024	2023
		(in millions)	
Gains (Losses):			
Commercial mortgage loans(1)	$ 0	$ 0	$ (29)
Investment real estate(2)	$ (12)	$ (12)	$ (17)
Investment in JV/LP and Other(2)	$ (70)	$ (7)	$ (76)
Equity securities(2)	$ 56	$ 0	$ 0
Goodwill(3)	$ 0	$ 0	$ (177)

	Year Ended December 31,	
	2025	2024
	(in millions)	
Carrying value after measurement as of period end:		
Commercial mortgage loans(1)	$ 0	$ 0
Investment real estate(2)	$ 45	$ 73
Investment in JV/LP and Other2)	$ 61	$ 128
Equity securities(2)	$ 92	$ 0
Goodwill	$ 0	$ 0

(1) Commercial mortgage loans are valued based on discounted cash flows utilizing market rates or the fair value of the underlying real estate collateral.

(2) Reported carrying values for 2025 include values as of the measurement periods of March 31, 2025 for "Investment real estate," December 31, 2025 for "Investment in JV/LP and Other" and September 30, 2025 and December 31, 2025 for "Equity securities." Reported carrying values for 2024 include values as of the measurement periods of March 31, 2024 for "Investment in JV/LP and Other" and June 30, 2024 and September 30, 2024 for "Investment real estate."

(3) The Company recognized a goodwill impairment charge for Assurance IQ ("AIQ") in 2023. The fair value was determined using weighting of an income approach, based on discounted cash flow valuation techniques and a market valuation approach based on a forward sales multiple.

Fair Value Option

The fair value option allows the Company to elect fair value as an alternative measurement for selected financial assets and financial liabilities not otherwise reported at fair value. Such elections have been made by the Company to help mitigate volatility in earnings that result from different measurement attributes. Electing the fair value option also allows the Company to achieve consistent accounting for certain assets and liabilities. Changes in fair value are reflected in "Realized investment gains (losses), net" for commercial mortgage and other loans and "Other income (loss)" for other assets and notes issued by consolidated VIEs. Changes in fair value due to instrument-specific credit risk are estimated using changes in credit spreads and quality ratings for the period reported. Interest income on commercial mortgage and other loans is included in "Net investment income." Interest income on these loans is recorded based on the effective interest rate as determined at the closing of the loan.

The following tables present information regarding assets and liabilities where the fair value option has been elected:

	Year Ended December 31,		
	2025	2024	2023
	(in millions)		
Liabilities:			
Notes issued by consolidated VIEs:			
Changes in fair value	$ (5)	$ 5	$ (9)

	Year Ended December 31,		
	2025	2024	2023
	(in millions)		
Commercial mortgage and other loans:			
Interest income	$ 46	$ 26	$ 9
Changes in fair value	$ (1)	$ 0	$ 0
Notes issued by consolidated VIEs:			
Interest expense	$ 13	$ 14	$ 11

	Year Ended December 31,	
	2025	2024
	(in millions)	
Commercial mortgage and other loans(1):		
Fair value as of period end	$ 1,056	$ 702
Aggregate contractual principal as of period end	$ 1,048	$ 697
Other invested assets:		
Fair value as of period end	$ 26	$ 19
Notes issued by consolidated VIEs:		
Fair value as of period end	$ 767	$ 60
Aggregate contractual principal as of period end	$ 767	$ 60

(1) As of December 31, 2025, for loans for which the fair value option has been elected, none of the loans were 90 days or more past due.

Fair Value of Financial Instruments

The tables below present the carrying amount and fair value by fair value hierarchy level of certain financial instruments that are not reported at fair value. The financial instruments presented below are reported at carrying value on the Company's Consolidated Statements of Financial Position. In some cases, as described below, the carrying amount equals or approximates fair value.

	December 31, 2025				
	Fair Value				Carrying Amount(1)
	Level 1	Level 2	Level 3	Total	Total
			(in millions)		
Assets:					
Commercial mortgage and other loans	$ 0	$ 14	$ 63,164	$ 63,178	$ 63,659
Policy loans	12	0	9,946	9,958	9,958
Other invested assets	0	93	0	93	93
Short-term investments	632	1	0	633	633
Cash and cash equivalents	6,652	222	0	6,874	6,874
Accrued investment income	0	3,636	0	3,636	3,636
Reinsurance recoverables and deposit receivables	0	8	6,710	6,718	6,718
Other assets	37	3,142	2	3,181	3,181
Total assets	$ 7,333	$ 7,116	$ 79,822	$ 94,271	$ 94,752
Liabilities:					
Policyholders' account balances—investment contracts	$ 0	$ 35,175	$ 49,931	$ 85,106	$ 89,970
Securities sold under agreements to repurchase	0	9,598	0	9,598	9,598
Cash collateral for loaned securities	0	8,700	0	8,700	8,700
Reinsurance and funds withheld payables(2)	0	10,639	(32)	10,607	10,607
Short-term debt	0	1,408	33	1,441	1,443
Long-term debt(3)	7,507	10,324	522	18,353	18,856
Notes issued by consolidated VIEs	0	0	1,892	1,892	1,892
Other liabilities	0	6,993	31	7,024	7,024
Separate account liabilities—investment contracts	0	22,548	17,663	40,211	40,211
Total liabilities	$ 7,507	$ 105,385	$ 70,040	$ 182,932	$ 188,301

	December 31, 2024				
	Fair Value				Carrying Amount(1)
	Level 1	Level 2	Level 3	Total	Total
			(in millions)		
Assets:					
Commercial mortgage and other loans	$ 0	$ 17	$ 58,446	$ 58,463	$ 61,639
Policy loans	8	0	9,787	9,795	9,795
Other invested assets	0	95	0	95	95
Short-term investments	453	21	0	474	474
Cash and cash equivalents	7,352	454	0	7,806	7,806
Accrued investment income	0	3,441	0	3,441	3,441
Reinsurance recoverables and deposit receivables	0	8	5,782	5,790	5,790
Other assets	23	3,062	1	3,086	3,086
Total assets	$ 7,836	$ 7,098	$ 74,016	$ 88,950	$ 92,126
Liabilities:					
Policyholders' account balances—investment contracts	$ 0	$ 31,405	$ 43,466	$ 74,871	$ 79,571
Securities sold under agreements to repurchase	0	6,796	0	6,796	6,796
Cash collateral for loaned securities	0	9,621	0	9,621	9,621
Reinsurance and funds withheld payables(2)	0	10,489	(35)	10,454	10,454
Short-term debt	0	521	439	960	953
Long-term debt(3)	524	17,185	423	18,132	19,187
Notes issued by consolidated VIEs	0	0	1,370	1,370	1,370
Other liabilities	0	6,886	32	6,918	6,918
Separate account liabilities—investment contracts	0	21,144	18,677	39,821	39,821
Total liabilities	$ 524	$ 104,047	$ 64,372	$ 168,943	$ 174,691

(1) Carrying values presented herein differ from those in the Company's Consolidated Statements of Financial Position because certain items within the respective financial statement captions are not considered financial instruments or are out of scope under authoritative guidance relating to disclosures of the fair value of financial instruments.

(2) Includes contracts reinsured through coinsurance with funds withheld agreement with Prismic Re with a fair value of $7,513 million (carrying amount of $7,513 million) and $7,887 million (carrying amount of $7,887 million), a portion of which relates to insurance contracts as of December 31, 2025 and December 31, 2024, respectively. See Note 15 for additional information regarding the reinsurance arrangement with Prismic Re.

(3) Excludes debt with fair value of $15,744 million (carrying amount of $15,744 million) and $14,748 million (carrying amount of $14,748 million) as of December 31, 2025 and December 31, 2024, respectively, which have been offset with the associated notes under a netting agreement.

The fair values presented above have been determined by using available market information and by applying market valuation methodologies, as described in more detail below.

Commercial Mortgage and Other Loans

The fair value of most commercial mortgage loans is based upon the present value of the expected future cash flows discounted at the appropriate U.S. Treasury rate or foreign government bond rate (for non-U.S. dollar-denominated loans) plus an appropriate credit spread for loans of similar quality, average life and currency. The quality ratings for these loans, a primary determinant of the credit spreads and a significant component of the pricing process, are based on an internally-developed methodology. Certain commercial mortgage loans are valued incorporating other factors, including the terms of the loans, the relative strength of the underlying collateral, the principal exit strategies for the loans, prevailing interest rates and credit risk.

Policy Loans

The Company's valuation technique for policy loans is to discount cash flows at the current policy loan coupon rate. Policy loans are fully collateralized by the cash surrender value of underlying insurance policies. As a result, the carrying value of the policy loans approximates the fair value.

Short-Term Investments, Cash and Cash Equivalents, Accrued Investment Income and Other Assets

The Company believes that due to the short-term nature of certain assets, the carrying value approximates fair value. These assets include: certain short-term investments, which are not securities, recorded at amortized cost; cash and cash equivalent instruments; accrued investment income; and other assets that meet the definition of financial instruments, including receivables, such as unsettled trades, accounts receivable and restricted cash.

Reinsurance Recoverables and Deposit Receivables

Reinsurance recoverables and deposit receivables includes receivables from modified coinsurance arrangements where the Company is the reinsurer and generally reflect the fair value of the invested assets retained by the cedant. Deposits made are included in "Reinsurance recoverables and deposit receivables." The deposit assets are adjusted as amounts are paid, consistent with the underlying contracts.

Policyholders' Account Balances—Investment Contracts

Only the portion of policyholders' account balances related to products that are investment contracts (those without significant mortality or morbidity risk) are reflected in the table above. For fixed deferred annuities, single premium endowments, payout annuities and other similar contracts without life contingencies, fair values are generally derived using discounted projected cash flows based on interest rates that are representative of the Company's financial strength ratings, and hence reflect the Company's NPR. For GICs, funding agreements, structured settlements without life contingencies and other similar products, fair values are generally derived using discounted projected cash flows based on interest rates being offered for similar contracts with maturities consistent with those of the contracts being valued. For those balances that can be withdrawn by the customer at any time without prior notice or penalty, the fair value is the amount estimated to be payable to the customer as of the reporting date, which is generally the carrying value. For defined contribution and defined benefit contracts and certain other products, the fair value is the market value of the assets supporting the liabilities.

Securities Sold Under Agreements to Repurchase

The Company receives collateral for selling securities under agreements to repurchase, or pledges collateral under agreements to resell. Repurchase and resale agreements are also generally short-term in nature and, therefore, the carrying amounts of these instruments approximate fair value.

Cash Collateral for Loaned Securities

Cash collateral for loaned securities represents the collateral received or paid in connection with loaning or borrowing securities, similar to the securities sold under agreement to repurchase above. Due to the short-term nature of these transactions, the carrying value approximates fair value.

Reinsurance and Funds Withheld Payables

Reinsurance and funds withheld payables includes amounts payable to the reinsurer under coinsurance with funds withheld arrangements where the Company is the cedant. Deposits received are included in "Reinsurance and funds withheld payables." The deposit liabilities are adjusted as amounts are received, consistent with the underlying contracts.

Debt

The fair value of short-term and long-term debt, as well as notes issued by consolidated VIEs, is generally determined by either prices obtained from independent pricing services, which are validated by the Company, or discounted cash flow models. With the exception of the notes issued by consolidated VIEs for which recourse is limited to the assets of the respective VIE and does not extend to the general credit of the Company, the fair values of these instruments consider the Company's NPR. Discounted cash flow models predominately use market observable inputs such as the borrowing rates currently available to the Company for debt and financial instruments with similar terms and remaining maturities. For commercial paper issuances and other debt with a maturity of less than 90 days, the carrying value approximates fair value.

Other Liabilities

Other liabilities are primarily payables, such as unsettled trades, drafts and accrued expense payables. Due to the short-term until settlement of most of these liabilities, the Company believes that carrying value approximates fair value.

Separate Account Liabilities—Investment Contracts

Only the portion of separate account liabilities related to products that are investment contracts are reflected in the table above. Separate account liabilities are recorded at the amount credited to the contractholder, which reflects the change in fair value of the corresponding separate account assets including contractholder deposits less withdrawals and fees; therefore, carrying value approximates fair value.

7. DEFERRED POLICY ACQUISITION COSTS, DEFERRED REINSURANCE, DEFERRED SALES INDUCEMENTS AND VALUE OF BUSINESS ACQUIRED

Deferred Policy Acquisition Costs

The following tables show a rollforward for the lines of business that contain material DAC balances, along with a reconciliation to the Company's total DAC balance:

	Year Ended December 31, 2025				
	Retirement Strategies	Individual Life			
	Individual Variable	Term Life	Variable/ Universal Life	International Businesses	Total
			(in millions)		
Balance, BOP	$ 3,713	$ 2,215	$ 4,878	$ 9,304	$ 20,110
Capitalization	531	195	740	1,197	2,663
Amortization expense	(465)	(207)	(235)	(697)	(1,604)
Other adjustments(1)	17	0	7	(214)	(190)
Foreign currency adjustment	0	0	0	88	88
Balance, EOP	$ 3,796	$ 2,203	$ 5,390	$ 9,678	21,067
Other businesses					463
Total DAC balance					$ 21,530

(1) Includes the impact of the reinsurance transaction with Prismic Re International in International Businesses. See Note 15 for additional information.

	Year Ended December 31, 2024				
	Retirement Strategies	Individual Life			
	Individual Variable	Term Life	Variable/ Universal Life	International Businesses(1)	Total
			(in millions)		
Balance, BOP	$ 3,676	$ 2,237	$ 5,364	$ 9,351	$ 20,628
Capitalization	423	186	734	1,139	2,482
Amortization expense	(386)	(208)	(241)	(670)	(1,505)
Other adjustments(2)	0	0	(979)	(40)	(1,019)
Foreign currency adjustment	0	0	0	(476)	(476)
Balance, EOP	$ 3,713	$ 2,215	$ 4,878	$ 9,304	20,110
Other businesses					338
Total DAC balance					$ 20,448

(1) Prior period amounts have been updated to conform to current presentation.

(2) Includes the impacts of the reinsurance transactions with Wilton Re and Somerset Re in Individual Life (Universal Life). See Note 15 for additional information

	Year Ended December 31, 2023				
	Retirement Strategies	Individual Life			
	Individual Variable	Term Life	Variable/ Universal Life	International Businesses(1)	Total
			(in millions)		
Balance, BOP	$ 4,171	$ 2,288	$ 5,000	$ 8,941	$ 20,400
Capitalization	261	160	608	1,196	2,225
Amortization expense	(366)	(212)	(244)	(641)	(1,463)
Other adjustments(2)	(390)	1	0	20	(369)
Foreign currency adjustment	0	0	0	(165)	(165)
Balance, EOP	$ 3,676	$ 2,237	$ 5,364	$ 9,351	20,628
Other businesses					228
Total DAC balance					$ 20,856

(1) Prior period amounts have been updated to conform to current presentation.
(2) Includes the impact of the reinsurance transaction with AuguStar in Individual Retirement Strategies. See Note 15 for additional information.

Deferred Reinsurance Losses

The following tables show a rollforward for the lines of business that contain DRL balances, along with a reconciliation to the Company's total DRL balance:

	Year Ended December 31, 2025			
	Retirement Strategies		Individual Life	
	Individual Variable	Institutional	Variable/ Universal Life	Total
		(in millions)		
Balance, BOP	$ 150	$ 130	$ 969	$ 1,249
Amortization	(29)	(3)	(37)	(69)
Balance, EOP	$ 121	$ 127	$ 932	1,180
Other businesses				64
Total DRL balance				$ 1,244

	Year Ended December 31, 2024			
	Retirement Strategies		Individual Life	
	Individual Variable	Institutional	Variable/ Universal Life	Total
		(in millions)		
Balance, BOP	$ 178	$ 132	$ 0	$ 310
Deferred reinsurance loss(1)	0	0	979	979
Amortization	(28)	(2)	(10)	(40)
Balance, EOP	$ 150	$ 130	$ 969	1,249
Other businesses				87
Total DRL balance				$ 1,336

(1) Includes the impacts of the reinsurance transaction with Wilton Re. See Note 15 for additional information.

	Year Ended December 31, 2023			
	Retirement Strategies		Individual Life	
	Individual Variable	Institutional	Variable/ Universal Life	Total
	(in millions)			
Balance, BOP	$ 206	$ 0	$ 0	$ 206
Deferred reinsurance loss(1)	0	224	0	224
Amortization	(28)	(1)	0	(29)
Other adjustments(1)	0	(91)	0	(91)
Balance, EOP	$ 178	$ 132	$ 0	310
Other businesses				0
Total DRL balance				$ 310

(1) Includes the impacts of the reinsurance transaction with Prismic Re. See Note 15 for additional information.

Deferred Reinsurance Gains

The following tables show a rollforward for the lines of business that contain DRG balances, along with a reconciliation to the Company's total DRG balance:

	Year Ended December 31, 2025			
	Retirement Strategies		Individual Life	
	Individual Variable	Institutional	Variable/ Universal Life	Total
	(in millions)			
Balance, BOP	$ 287	$ 62	$ 348	$ 697
Deferred reinsurance gain	0	6	0	6
Amortization	(24)	(3)	(15)	(42)
Foreign currency adjustment	0	2	0	2
Balance, EOP	$ 263	$ 67	$ 333	663
Other businesses				40
Total DRG balance				$ 703

	Year Ended December 31, 2024			
	Retirement Strategies		Individual Life	
	Individual Variable	Institutional	Variable/ Universal Life	Total
	(in millions)			
Balance, BOP	$ 311	$ 65	$ 0	$ 376
Deferred reinsurance gain(1)	0	1	363	364
Amortization	(24)	(3)	(15)	(42)
Foreign currency adjustment	0	(1)	0	(1)
Balance, EOP	$ 287	$ 62	$ 348	697
Other businesses				42
Total DRG balance				$ 739

(1) Includes the impacts of the reinsurance transaction with Somerset Re. See Note 15 for additional information.

	Year Ended December 31, 2023			
	Retirement Strategies		Individual Life	
	Individual Variable	Institutional	Variable/ Universal Life	Total
	(in millions)			
Balance, BOP	$ 55	$ 62	$ 0	$ 117
Deferred reinsurance gain(1)	277	3	0	280
Amortization	(21)	(3)	0	(24)
Foreign currency adjustment	0	3	0	3
Balance, EOP	$ 311	$ 65	$ 0	376
Other businesses				48
Total DRG balance				$ 424

(1) Includes the impacts of the reinsurance transaction with AuguStar. See Note 15 for additional information.

Deferred Sales Inducements

The following table shows a rollforward of DSI balances for variable annuity products within Individual Retirement Strategies, which is the only line of business that contains a material DSI balance, along with a reconciliation to the Company's total DSI balance:

	Year Ended December 31,		
	2025	2024	2023
	(in millions)		
Balance, BOP	$ 376	$ 410	$ 446
Capitalization	5	1	2
Amortization expense	(34)	(35)	(38)
Balance, EOP	347	376	410
Other businesses	28	30	33
Total DSI balance	$ 375	$ 406	$ 443

Value of Business Acquired

The following table shows a rollforward of VOBA balances for the acquisition of the Star and Edison Businesses for International Businesses, along with a reconciliation to the Company's total VOBA balance:

	Year Ended December 31,		
	2025	2024	2023
	(in millions)		
Balance, BOP	$ 421	$ 511	$ 597
Amortization expense	(40)	(42)	(49)
Foreign currency adjustment	3	(48)	(37)
Balance, EOP	384	421	511
Other businesses(1)	13	14	19
Total VOBA balance	$ 397	$ 435	$ 530

(1) Represents Aoba Life business.

The following table provides estimated future amortization for the periods indicated:

	2026	2027	2028	2029	2030	Thereafter	Total
				(in millions)			
Estimated future VOBA amortization	$ 37	$ 33	$ 30	$ 27	$ 25	$ 245	$ 397

8. SEPARATE ACCOUNTS

The Company issues variable annuity and variable life insurance contracts through its separate accounts for which investment income and investment gains and losses accrue directly to, and investment risk is borne by, the contractholder. Most variable annuity and variable life insurance contracts are offered with both separate and general account options. See Note 13 for additional information.

The assets supporting the variable portion of variable annuity and variable life insurance contracts are carried at fair value and reported as "Separate account assets" with an equivalent amount reported as "Separate account liabilities." The liabilities related to the net amount at risk are reflected within "Future policy benefits" or "Market risk benefit liabilities" (or "assets," if applicable). Amounts assessed against the contractholders for mortality, administration, and other services are included within revenue in "Policy charges and fee income" and changes in liabilities for minimum guarantees are generally included in "Policyholders' benefits" or "Change in value of market risk benefits, net of related hedging gains (losses)."

Separate Account Assets

The aggregate fair value of assets, by major investment asset category, supporting separate accounts is as follows:

	December 31, 2025	December 31, 2024
	(in millions)	
Asset Type:		
U.S. Treasury securities and obligations of U.S. government authorities and agencies	$ 4,753	$ 4,674
Obligations of U.S. states and their political subdivisions	2,514	2,224
Foreign government bonds	109	93
U.S. corporate securities	13,783	11,440
Foreign corporate securities	4,282	3,010
Asset-backed securities	3,445	1,283
Mortgage-backed securities	10,154	14,144
Mutual funds:		
Equity	92,137	90,180
Fixed Income	30,602	33,828
Other	6,315	5,439
Equity securities	5,459	4,845
Commercial mortgage and other loans	53	54
Other invested assets	19,749	19,352
Short-term investments	1,276	1,137
Cash and cash equivalents	1,620	1,669
Total	$ 196,251	$ 193,372

For the periods ended December 31, 2025, 2024 and 2023, there were no transfers of assets, other than cash, from the general account to a separate account; therefore, no gains or losses were recorded.

Separate Account Liabilities

The balances of and changes in separate account liabilities as of and for the periods ended are as follows:

	Year Ended December 31, 2025					
		Retirement Strategies				
	PGIM	Institutional	Individual	Group Insurance	Individual Life	Total
	(in millions)					
Balance, BOP	$ 28,645	$ 9,308	$ 86,974	$ 25,126	$ 46,891	$ 196,944
Deposits	9,597	397	560	157	4,298	15,009
Investment performance	1,930	698	9,914	2,359	6,762	21,663
Policy charges	(64)	(11)	(1,994)	(340)	(1,250)	(3,659)
Surrenders and withdrawals	(6,871)	(604)	(14,305)	(119)	(1,445)	(23,344)
Benefit payments	(3,706)	(544)	(102)	(400)	(561)	(5,313)
Net transfers (to) from general account	(36)	(174)	8	49	(763)	(916)
Other	(217)	(93)	2	84	140	(84)
Balance, EOP	$ 29,278	$ 8,977	$ 81,057	$ 26,916	$ 54,072	$ 200,300
Other businesses(1)						(4,049)
Total separate account liabilities						$ 196,251
Cash surrender value(2)	$ 29,278	$ 8,977	$ 80,384	$ 26,828	$ 52,552	$ 198,019

(1) Primarily represents activity from the Company's intercompany eliminations as well as Divested and Run-off Businesses. There are no associated cash surrender charges.
(2) "Cash surrender value" represents the amount of the contractholder's account balances distributable at the balance sheet date less certain surrender charges. There are no cash surrender charges for the PGIM and Institutional Retirement Strategies segments.

	Year Ended December 31, 2024					
		Retirement Strategies				
	PGIM	Institutional	Individual	Group Insurance	Individual Life	Total
	(in millions)					
Balance, BOP	$ 32,648	$ 11,011	$ 94,130	$ 25,021	$ 39,223	$ 202,033
Deposits	15,374	143	606	734	3,728	20,585
Investment performance	(45)	146	8,722	1,013	7,032	16,868
Policy charges	(69)	(11)	(2,231)	(317)	(1,168)	(3,796)
Surrenders and withdrawals	(14,766)	(1,050)	(14,070)	(370)	(986)	(31,242)
Benefit payments	(3,550)	(541)	(87)	(303)	(449)	(4,930)
Net transfers (to) from general account	(184)	(76)	(102)	6	(577)	(933)
Other	(763)	(314)	6	(658)	88	(1,641)
Balance, EOP	$ 28,645	$ 9,308	$ 86,974	$ 25,126	$ 46,891	196,944
Other businesses(1)						(3,572)
Total separate account liabilities						$ 193,372
Cash surrender value(2)	$ 28,645	$ 9,308	$ 86,081	$ 25,028	$ 43,333	$ 192,395

(1) Primarily represents activity from the Company's intercompany eliminations as well as Divested and Run-off Businesses. There are no associated cash surrender charges.

(2) "Cash surrender value" represents the amount of the contractholder's account balances distributable at the balance sheet date less certain surrender charges. There are no cash surrender charges for the PGIM and Institutional Retirement Strategies segments.

	Year Ended December 31, 2023					
		Retirement Strategies				
	PGIM	Institutional	Individual	Group Insurance	Individual Life	Total
			(in millions)			
Balance, BOP	$ 40,056	$ 11,428	$ 93,395	$ 23,513	$ 32,930	$ 201,322
Deposits	6,848	259	446	103	2,972	10,628
Investment performance	(1,045)	830	12,598	1,828	6,742	20,953
Policy charges	(81)	(12)	(2,316)	(337)	(1,075)	(3,821)
Surrenders and withdrawals	(8,109)	(660)	(9,891)	(52)	(765)	(19,477)
Benefit payments	(3,477)	(562)	(95)	(290)	(342)	(4,766)
Net transfers (to) from general account	(501)	(74)	(17)	44	(1,344)	(1,892)
Other	(1,043)	(198)	10	212	105	(914)
Balance, EOP	$ 32,648	$ 11,011	$ 94,130	$ 25,021	$ 39,223	202,033
Other businesses(1)						(3,145)
Total separate account liabilities						$ 198,888
Cash surrender value(2)	$ 32,648	$ 11,011	$ 92,927	$ 24,911	$ 35,921	$ 197,418

(1) Primarily represents activity from the Company's intercompany eliminations as well as Divested and Run-off Businesses. There are no associated cash surrender charges.
(2) "Cash surrender value" represents the amount of the contractholder's account balances distributable at the balance sheet date less certain surrender charges. There are no cash surrender charges for the PGIM and Institutional Retirement Strategies segments.

9. INVESTMENTS IN JOINT VENTURES AND OTHER OPERATING ENTITIES

The Company has made investments in certain joint ventures and other operating entities that are strategic in nature and are made for other than the sole purpose of generating investment income. These investments are primarily accounted for under the equity method of accounting and are included in "Other assets" in the Company's Consolidated Statements of Financial Position. The earnings from these investments are primarily included on an after-tax basis in "Equity in earnings of joint ventures and other operating entities, net of taxes" in the Company's Consolidated Statements of Operations. The summarized financial information for the Company's investments in joint ventures and other operating entities has been included in the summarized combined financial information for all significant equity method investments shown in Note 3.

The following table sets forth information related to the Company's investments in joint ventures and other operating entities as of and for the years ended December 31:

	2025	2024	2023(1)
		(in millions)	
Investment in joint ventures and other operating entities	$ 1,030	$ 782	$ 1,192
Dividends received from joint ventures and other operating entities	$ 107	$ 95	$ 66
After-tax equity in earnings of joint ventures and other operating entities	$ 129	$ 144	$ 49

(1) In September of 2023, the Company acquired a 20% equity interest as a limited partner in Prismic. See Note 1 for additional information.

For the years ended December 31, 2025, 2024 and 2023, the Company recognized $61 million, $31 million and $10 million, respectively, of asset management fee income for services the Company provided to these joint ventures and other operating entities.

10. GOODWILL AND OTHER INTANGIBLES

The changes in the carrying value of goodwill by reportable segment are as follows:

	PGIM	International Businesses	Corporate and Other	Other	Total
			(in millions)		
Goodwill balance, December 31, 2022:	$ 549	$ 115	$ 202	$ 10	$ 876
Acquisitions(1)	373	0	0	0	373
Impairments(2)	0	0	(177)	0	(177)
Divestitures(3)	0	0	(23)	0	(23)
Foreign currency translation	30	(7)	(1)	0	22
Goodwill balance, December 31, 2023:	952	108	1	10	1,071
Foreign currency translation and other	(6)	(12)	0	0	(18)
Goodwill balance, December 31, 2024:	946	96	1	10	1,053
Foreign currency translation and other	47	1	(1)	(10)	37
Goodwill balance, December 31, 2025:	$ 993	$ 97	$ 0	$ 0	$ 1,090

(1) During 2023, PGIM acquired a majority stake in Deerpath Capital Management, LP, a leading U.S.-based private credit and direct lending manager. The goodwill associated with that acquisition includes a measurement period adjustment made during 2024.
(2) Corporate and Other includes the impairment of the remaining goodwill allocated with Assurance IQ.
(3) Corporate and Other includes a sale of a foreign operation classified as a divested business.

The Company tests goodwill for impairment annually, as of December 31, and more frequently if an event occurs or circumstances change that would more likely than not reduce the fair value of a reporting unit below its carrying amount, as discussed in further detail in Note 2. The Company performed the annual goodwill impairment test using the quantitative approach for its reporting units at December 31, 2025. The estimated fair values of both PGIM and International Businesses incorporated a market approach based on an earnings multiple and exceeded their carrying values, resulting in no goodwill impairment as of December 31, 2025.

Other Intangibles

Other intangible balances at December 31, are as follows:

	2025			2024		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
			(in millions)			
Subject to amortization:						
Mortgage servicing rights	$ 918	$ (650)	$ 268	$ 897	$ (630)	$ 267
Customer relationships	271	(197)	74	260	(173)	87
Software and other	35	(26)	9	41	(30)	11
Not subject to amortization	39	N/A	39	41	N/A	41
Total			$ 390			$ 406

The fair values of net mortgage servicing rights were $271 million and $269 million at December 31, 2025 and 2024, respectively. Amortization expense for other intangibles was $73 million, $80 million and $89 million for the years ending December 31, 2025, 2024 and 2023, respectively. The amortization expense amounts for 2025, 2024 and 2023 do not include impairments recorded for mortgage servicing rights or other intangibles. See the nonrecurring fair value measurements section of Note 6 for additional information regarding these impairments.

The following table provides estimated future amortization for the periods indicated:

	2026	2027	2028	2029	2030
			(in millions)		
Estimated future amortization expense of other intangibles	$ 69	$ 62	$ 56	$ 40	$ 32

11. LEASES

The Company occupies leased office space and other facilities in many locations under various long-term leases and has entered into numerous leases covering the long-term use of computers and other equipment. The leases, depending on their specific terms, are classified as either operating or finance with the vast majority of leases falling under the operating classification. The leases in the Company's portfolio have remaining lease terms from less than one year to 23 years, some of which include options to extend the leases for up to 15 years, and some of which include options to terminate the leases within 12 years. An analysis of all economic and non-economic factors associated with leases containing certain options, including factors such as the existence of cancellation penalties, leasehold improvements made to the underlying assets and location of the underlying assets, is conducted to determine whether those leases are reasonably certain to renew, and hence, should be included in the lease term that is used to establish the right-of-use assets and lease liabilities for those arrangements.

The Company does not have residual guarantees associated with its lessee arrangements, nor are there any restrictions or covenants associated with its lease arrangements.

Lessee

Supplemental balance sheet information related to leases where the Company is the lessee is included below. Right-of-use assets and lease liabilities are included within "Other assets" and "Other liabilities" respectively.

	December 31,	
	2025	2024
	($ in millions)	
Operating Leases:		
Right-of-use assets	$ 366	$ 373
Lease liabilities	$ 408	$ 408
Weighted average remaining lease term	8 years	9 years
Weighted average discount rate	2.82 %	2.58 %

Maturities of operating lease liabilities are as follows:

	December 31, 2025
	(in millions)
2026	$ 92
2027	81
2028	56
2029	46
2030	41
Thereafter	189
Total lease payments	505
Less imputed interest	(97)
Total	$ 408

Lease expense is included in "General and administrative expenses," which consisted of operating lease and short-term costs. Operating lease costs were $121 million, $123 million, and $121 million for the years ended December 31, 2025, 2024,

and 2023, respectively. Short-term lease costs were $70 million, $68 million, and $74 million for the years ended December 31, 2025, 2024, and 2023, respectively. Short-term lease costs relate to those leases with terms of twelve months or less that do not include an option to purchase the underlying asset that is reasonably certain of exercise.

Lessor

The Company directly owns certain real estate properties that are primarily reported within the investment portfolio. Such real estate is leased to third parties, with the Company serving as the lessor. The terms of the leases vary depending on property type (e.g., commercial or residential). In most cases, the lessee has an option to renew the lease contract based on market rates but does not have an option to purchase the property. The terms of the leases may also include provisions for the use of common areas. Such non-lease components are not separately accounted for by the Company, as a result of applying a practical expedient. Lease income included in "Net investment income" was $64 million, $69 million, and $79 million for the years ended December 31, 2025, 2024, and 2023, respectively. Lease income included in "Other income" was $12 million, $11 million, and $11 million for the years ended December 31, 2025, 2024, and 2023, respectively.

12. LIABILITY FOR FUTURE POLICY BENEFITS

Liability for Future Policy Benefits primarily consists of the following sub-components, which are discussed in greater detail below.

- Benefit Reserves;
- Deferred Profit Liability; and
- Additional Insurance Reserves

In 2025, the Company recognized a favorable impact to net income attributable to its annual reviews and update of assumptions and other refinements for Liability for Future Policy Benefits. The impact was favorable for direct and assumed Benefit Reserves and DPL, net of the impact of flooring these liabilities at zero for each issue year cohort, primarily due to updates to mortality assumptions in Individual Life Insurance, partially offset by unfavorable updates for morbidity in Long-Term Care and mortality in Institutional Retirement Strategies. Additionally, there was a favorable impact for direct and assumed AIR, primarily due to offsetting impacts from updated policyholder behavior assumptions and mortality assumptions on universal life policies.

In 2024, the Company recognized a favorable impact to net income attributable to its annual reviews and update of assumptions and other refinements for Liability for Future Policy Benefits. The impact was favorable for direct and assumed Benefit Reserves and DPL, net of the impact of flooring these liabilities at zero for each issue year cohort, primarily due to updates to mortality assumptions in Institutional Retirement Strategies and Long-Term Care, partially offset by unfavorable updates to policyholder behavior assumptions on certain life policies in International Businesses. Additionally, there was an unfavorable impact for direct and assumed AIR, primarily due to updates to policyholder behavior assumptions on universal life polices with secondary guarantees in Individual Life.

In 2023, the Company recognized an unfavorable impact to net income attributable to its annual reviews and update of assumptions and other refinements for Liability for Future Policy Benefits. The impact was unfavorable for direct and assumed Benefit Reserves and DPL, net of the impact of flooring these liabilities at zero for each issue year cohort, primarily due to updates to policyholder behavior and claim assumptions in Long-Term Care. Additionally, there was an unfavorable impact for direct and assumed AIR, primarily due to unfavorable model refinements, partially offset by updates to economic assumptions, including expected future rates of returns on universal life policies with secondary guarantees in Individual Life.

Benefit Reserves

The balances of and changes in Benefit Reserves as of and for the periods indicated consist of the three tables presented below: Present Value of Expected Net Premiums rollforward, Present Value of Expected Future Policy Benefits rollforward, and Net Liability for Future Policy Benefits.

	Year Ended December 31, 2025				
	Present Value of Expected Net Premiums				
	Retirement Strategies	Individual Life		Corporate and Other	
	Institutional	Term Life	International Businesses	Long-Term Care	Total
			(in millions)		
Balance, BOP	$ 72,526	$ 10,724	$ 45,851	$ 2,854	$ 131,955
Effect of cumulative changes in discount rate assumptions, BOP	14,545	578	2,599	132	17,854
Balance at original discount rate, BOP	87,071	11,302	48,450	2,986	149,809
Effect of assumption update	169	(241)	(1,072)	8	(1,136)
Effect of actual variances from expected experience and other activity	(49)	(179)	(803)	106	(925)
Adjusted balance, BOP	87,191	10,882	46,575	3,100	147,748
Issuances	13,848	813	2,880	0	17,541
Net premiums / considerations collected	(10,223)	(1,365)	(6,656)	(310)	(18,554)
Interest accrual	3,638	527	1,449	142	5,756
Foreign currency adjustment	7,155	0	451	0	7,606
Other adjustments	0	60	91	0	151
Balance at original discount rate, EOP	101,609	10,917	44,790	2,932	160,248
Effect of cumulative changes in discount rate assumptions, EOP	(14,178)	(280)	(3,431)	(64)	(17,953)
Balance, EOP	$ 87,431	$ 10,637	$ 41,359	$ 2,868	142,295
Other businesses, EOP					111
Total balance, EOP					$ 142,406

	Year Ended December 31, 2025				
	Present Value of Expected Future Policy Benefits				
	Retirement Strategies	Individual Life		Corporate and Other	
	Institutional	Term Life	International Businesses	Long-Term Care	Total
			(in millions)		
Balance, BOP	$ 151,484	$ 18,996	$ 135,485	$ 11,178	$ 317,143
Effect of cumulative changes in discount rate assumptions, BOP	20,182	1,134	17,834	1,548	40,698
Balance at original discount rate, BOP	171,666	20,130	153,319	12,726	357,841
Effect of assumption update	322	(392)	(1,013)	14	(1,069)
Effect of actual variances from expected experience and other activity	71	(230)	(928)	105	(982)
Adjusted balance, BOP	172,059	19,508	151,378	12,845	355,790
Issuances	13,848	813	2,880	0	17,541
Interest accrual	7,238	943	4,738	617	13,536
Benefit payments	(15,095)	(1,526)	(8,430)	(367)	(25,418)
Foreign currency adjustment	7,219	0	997	0	8,216
Other adjustments	5	30	247	0	282
Balance at original discount rate, EOP	185,274	19,768	151,810	13,095	369,947
Effect of cumulative changes in discount rate assumptions, EOP	(17,758)	(602)	(26,267)	(1,435)	(46,062)
Balance, EOP	$ 167,516	$ 19,166	$ 125,543	$ 11,660	323,885
Other businesses, EOP					1,689
Total balance, EOP					$ 325,574

	Year Ended December 31, 2025				
	Net Liability for Future Policy Benefits - Benefit Reserves				
	Retirement Strategies	Individual Life		Corporate and Other	
	Institutional	Term Life	International Businesses	Long-Term Care	Total
			(in millions)		
Balance, EOP, pre-flooring	$ 80,086	$ 8,529	$ 84,184	$ 8,792	$ 181,591
Flooring impact, EOP	183	1	77	0	261
Balance, EOP, post-flooring	80,269	8,530	84,261	8,792	181,852
Less: Reinsurance recoverable	5,189	613	307	0	6,109
Balance after reinsurance recoverable, EOP, post-flooring	$ 75,080	$ 7,917	$ 83,954	$ 8,792	175,743
Other businesses, EOP(1)					1,522
Total balance after reinsurance recoverable, EOP					$ 177,265

	Year Ended December 31, 2024				
	Present Value of Expected Net Premiums				
	Retirement Strategies	Individual Life		Corporate and Other	
	Institutional	Term Life	International Businesses(2)	Long-Term Care	Total
			(in millions)		
Balance, BOP	$ 71,407	$ 11,274	$ 55,431	$ 3,286	$ 141,398
Effect of cumulative changes in discount rate assumptions, BOP	11,869	228	1,218	16	13,331
Balance at original discount rate, BOP	83,276	11,502	56,649	3,302	154,729
Effect of assumption update	41	21	(863)	(276)	(1,077)
Effect of actual variances from expected experience and other activity	568	(228)	(2,160)	122	(1,698)
Adjusted balance, BOP	83,885	11,295	53,626	3,148	151,954
Issuances	24,498	857	3,354	0	28,709
Net premiums / considerations collected	(22,206)	(1,379)	(6,969)	(311)	(30,865)
Interest accrual	2,896	530	1,527	149	5,102
Foreign currency adjustment	(2,002)	0	(3,209)	0	(5,211)
Other adjustments	0	(1)	121	0	120
Balance at original discount rate, EOP	87,071	11,302	48,450	2,986	149,809
Effect of cumulative changes in discount rate assumptions, EOP	(14,545)	(578)	(2,599)	(132)	(17,854)
Balance, EOP	$ 72,526	$ 10,724	$ 45,851	$ 2,854	131,955
Other businesses, EOP					93
Total balance, EOP					$ 132,048

	Year Ended December 31, 2024				
	Present Value of Expected Future Policy Benefits				
	Retirement Strategies	Individual Life		Corporate and Other	
	Institutional	Term Life	International Businesses(2)	Long-Term Care	Total
			(in millions)		
Balance, BOP	$ 141,135	$ 19,852	$ 158,858	$ 12,139	$ 331,984
Effect of cumulative changes in discount rate assumptions, BOP	14,751	334	7,918	603	23,606
Balance at original discount rate, BOP	155,886	20,186	166,776	12,742	355,590
Effect of assumption update	(481)	21	(513)	(394)	(1,367)
Effect of actual variances from expected experience and other activity	716	(252)	(2,184)	99	(1,621)
Adjusted balance, BOP	156,121	19,955	164,079	12,447	352,602
Issuances	24,498	857	3,354	0	28,709
Interest accrual	6,290	945	4,717	606	12,558
Benefit payments	(13,131)	(1,615)	(9,163)	(327)	(24,236)
Foreign currency adjustment	(2,017)	0	(9,953)	0	(11,970)
Other adjustments	(95)	(12)	285	0	178
Balance at original discount rate, EOP	171,666	20,130	153,319	12,726	357,841
Effect of cumulative changes in discount rate assumptions, EOP	(20,182)	(1,134)	(17,834)	(1,548)	(40,698)
Balance, EOP	$ 151,484	$ 18,996	$ 135,485	$ 11,178	317,143
Other businesses, EOP					1,646
Total balance, EOP					$ 318,789

	Year Ended December 31, 2024				
	Net Liability for Future Policy Benefits - Benefit Reserves				
	Retirement Strategies	Individual Life		Corporate and Other	
	Institutional	Term Life	International Businesses(2)	Long-Term Care	Total
			(in millions)		
Balance, EOP, pre-flooring	$ 78,958	$ 8,272	$ 89,634	$ 8,324	$ 185,188
Flooring impact, EOP	68	0	37	0	105
Balance, EOP, post-flooring	79,026	8,272	89,671	8,324	185,293
Less: Reinsurance recoverable	5,057	654	349	0	6,060
Balance after reinsurance recoverable, EOP, post-flooring	$ 73,969	$ 7,618	$ 89,322	$ 8,324	179,233
Other businesses, EOP(1)					1,493
Total balance after reinsurance recoverable, EOP					$ 180,726

	Year Ended December 31, 2023				
	Present Value of Expected Net Premiums				
	Retirement Strategies	Individual Life		Corporate and Other	
	Institutional	Term Life	International Businesses(2)	Long-Term Care	Total
			(in millions)		
Balance, BOP	$ 52,620	$ 11,282	$ 59,640	$ 2,932	$ 126,474
Effect of cumulative changes in discount rate assumptions, BOP	14,349	572	2,680	103	17,704
Balance at original discount rate, BOP	66,969	11,854	62,320	3,035	144,178
Effect of assumption update	(1,117)	(1)	(97)	266	(949)
Effect of actual variances from expected experience and other activity	540	(223)	(1,937)	161	(1,459)
Adjusted balance, BOP	66,392	11,630	60,286	3,462	141,770
Issuances	20,914	750	3,875	0	25,539
Net premiums / considerations collected	(10,389)	(1,413)	(7,637)	(317)	(19,756)
Interest accrual	2,233	538	1,669	157	4,597
Foreign currency adjustment	4,126	0	(1,663)	0	2,463
Other adjustments	0	(3)	119	0	116
Balance at original discount rate, EOP	83,276	11,502	56,649	3,302	154,729
Effect of cumulative changes in discount rate assumptions, EOP	(11,869)	(228)	(1,218)	(16)	(13,331)
Balance, EOP	$ 71,407	$ 11,274	$ 55,431	$ 3,286	141,398
Other businesses, EOP					86
Total balance, EOP					$ 141,484

	Year Ended December 31, 2023				
	Present Value of Expected Future Policy Benefits				
	Retirement Strategies	Individual Life		Corporate and Other	
	Institutional	Term Life	International Businesses(2)	Long-Term Care	Total
			(in millions)		
Balance, BOP	$ 117,754	$ 19,288	$ 158,970	$ 10,685	$ 306,697
Effect of cumulative changes in discount rate assumptions, BOP	20,170	1,012	14,985	1,216	37,383
Balance at original discount rate, BOP	137,924	20,300	173,955	11,901	344,080
Effect of assumption update	(1,289)	(1)	189	357	(744)
Effect of actual variances from expected experience and other activity	514	(269)	(1,836)	160	(1,431)
Adjusted balance, BOP	137,149	20,030	172,308	12,418	341,905
Issuances	20,914	750	3,875	0	25,539
Interest accrual	5,109	944	4,902	594	11,549
Benefit payments	(11,477)	(1,522)	(9,022)	(270)	(22,291)
Foreign currency adjustment	4,209	0	(5,515)	0	(1,306)
Other adjustments	(18)	(16)	228	0	194
Balance at original discount rate, EOP	155,886	20,186	166,776	12,742	355,590
Effect of cumulative changes in discount rate assumptions, EOP	(14,751)	(334)	(7,918)	(603)	(23,606)
Balance, EOP	$ 141,135	$ 19,852	$ 158,858	$ 12,139	331,984
Other businesses, EOP					1,716
Total balance, EOP					$ 333,700

	Year Ended December 31, 2023				
	Net Liability for Future Policy Benefits - Benefit Reserves				
	Retirement Strategies	Individual Life		Corporate and Other	
	Institutional	Term Life	International Businesses(2)	Long-Term Care	Total
			(in millions)		
Balance, EOP, pre-flooring	$ 69,728	$ 8,578	$ 103,426	$ 8,852	$ 190,584
Flooring impact, EOP	61	0	25	0	86
Balance, EOP, post-flooring	69,789	8,578	103,451	8,852	190,670
Less: Reinsurance recoverable	5,539	744	304	0	6,587
Balance after reinsurance recoverable, EOP, post-flooring	$ 64,250	$ 7,834	$ 103,147	$ 8,852	184,083
Other businesses, EOP(1)					1,563
Total balance after reinsurance recoverable, EOP					$ 185,646

(1) Reflects balance after reinsurance recoverable of $55 million, $60 million, and $69 million at December 31, 2025, 2024 and 2023, respectively.
(2) Prior period amounts have been updated to conform to current period presentation.

The following tables provide supplemental information related to the balances of and changes in Benefit Reserves included in the disaggregated tables above, on a gross (direct and assumed) basis, as of and for the period indicated:

	Year Ended December 31, 2025			
	Retirement Strategies	Individual Life		Corporate and Other
	Institutional	Term Life	International Businesses	Long-Term Care
		($ in millions)		
Undiscounted expected future gross premiums	$ 175,170	$ 23,101	$ 102,250	$ 6,397
Discounted expected future gross premiums (at original discount rate)	$ 109,368	$ 15,594	$ 79,537	$ 4,325
Discounted expected future gross premiums (at current discount rate)	$ 93,833	$ 15,249	$ 73,788	$ 4,240
Undiscounted expected future benefits and expenses	$ 301,899	$ 30,574	$ 250,822	$ 29,483
Weighted-average duration of the liability in years (at original discount rate)	8	9	17	16
Weighted-average duration of the liability in years (at current discount rate)	8	9	14	15
Weighted-average interest rate (at original discount rate)	4.81 %	5.11 %	3.05 %	4.91 %
Weighted-average interest rate (at current discount rate)	5.37 %	5.27 %	4.46 %	5.78 %

	Year Ended December 31, 2024			
	Retirement Strategies	Individual Life		Corporate and Other
	Institutional	Term Life	International Businesses(1)	Long-Term Care
		($ in millions)		
Undiscounted expected future gross premiums	$ 145,442	$ 22,947	$ 107,844	$ 6,817
Discounted expected future gross premiums (at original discount rate)	$ 94,222	$ 15,662	$ 84,715	$ 4,542
Discounted expected future gross premiums (at current discount rate)	$ 78,237	$ 14,901	$ 80,616	$ 4,350
Undiscounted expected future benefits and expenses	$ 274,071	$ 31,068	$ 254,008	$ 29,661
Weighted-average duration of the liability in years (at original discount rate)	8	10	18	17
Weighted-average duration of the liability in years (at current discount rate)	8	9	16	16
Weighted-average interest rate (at original discount rate)	4.74 %	5.30 %	3.02 %	4.91 %
Weighted-average interest rate (at current discount rate)	5.59 %	5.78 %	3.70 %	5.85 %

	Year Ended December 31, 2023			
	Retirement Strategies	Individual Life		Corporate and Other
	Institutional	Term Life	International Businesses(1)	Long-Term Care
	($ in millions)			
Undiscounted expected future gross premiums	$ 134,192	$ 23,083	$ 125,636	$ 6,852
Discounted expected future gross premiums (at original discount rate)	$ 90,606	$ 15,322	$ 98,959	$ 4,509
Discounted expected future gross premiums (at current discount rate)	$ 77,520	$ 15,044	$ 97,522	$ 4,491
Undiscounted expected future benefits and expenses	$ 242,617	$ 31,114	$ 280,791	$ 30,761
Weighted-average duration of the liability in years (at original discount rate)	9	10	19	18
Weighted-average duration of the liability in years (at current discount rate)	8	10	18	17
Weighted-average interest rate (at original discount rate)	4.62 %	5.17 %	2.95 %	4.91 %
Weighted-average interest rate (at current discount rate)	5.03 %	4.99 %	3.01 %	5.25 %

(1) Prior period amounts have been updated to conform to current period presentation.

For additional information regarding observable market information and the techniques used to determine the interest rate assumptions seen above, see Note 2.

For non-participating traditional and limited-payment products, if a cohort is in a loss position where the liability for future policy benefits plus the present value of expected future gross premiums are determined to be insufficient to provide for the present value of expected future policy benefits and non-level claim settlement expenses, then the liability for future policy benefits is adjusted at that time, and thereafter, such that all changes, both favorable and unfavorable, in expected benefits resulting from both actual experience deviations and changes in future assumptions are recognized immediately as a gain or loss respectively.

In 2025, there was an $85 million charge to net income for non-participating traditional and limited-payment products, where net premiums exceeded gross premiums for certain issue-year cohorts, partially offset by an $8 million gain reflecting the impact of ceded reinsurance. The unfavorable impact in 2025 is primarily due to new pension risk transfer business sold in Institutional Retirement Strategies, for which the Present Value of Expected Benefits at the required discount rate exceeds the premium paid.

In 2024 and 2023, there was an immaterial impact to net income for non-participating traditional and limited-payment products, where net premiums exceeded gross premiums for certain issue-year cohorts.

Deferred Profit Liability

The balances of and changes in DPL as of and for the period indicated are as follows:

	Year Ended December 31, 2025		
	Deferred Profit Liability		
	Retirement Strategies Institutional	International Businesses	Total
	(in millions)		
Balance, BOP	$ 5,670	$ 9,354	$ 15,024
Flooring impact, BOP	0	2	2
Balance, BOP, pre-flooring	5,670	9,352	15,022
Effect of assumption update	(73)	(58)	(131)
Effect of actual variances from expected experience and other activity	0	9	9
Adjusted balance, BOP	5,597	9,303	14,900
Profits deferred	131	2,565	2,696
Interest accrual	230	353	583
Amortization	(570)	(2,128)	(2,698)
Foreign currency adjustment	19	90	109
Other adjustments	0	40	40
Balance, EOP, pre-flooring	5,407	10,223	15,630
Flooring impact, EOP	0	2	2
Balance, EOP	5,407	10,225	15,632
Less: Reinsurance recoverable	391	44	435
Balance after reinsurance recoverable	$ 5,016	$ 10,181	15,197
Other businesses			166
Total balance after reinsurance recoverable			$ 15,363

	Year Ended December 31, 2024		
	Deferred Profit Liability		
	Retirement Strategies Institutional	International Businesses(1)	Total
	(in millions)		
Balance, BOP	$ 5,615	$ 9,259	$ 14,874
Flooring impact, BOP	0	2	2
Balance, BOP, pre-flooring	5,615	9,257	14,872
Effect of assumption update	370	(288)	82
Effect of actual variances from expected experience and other activity	(99)	(59)	(158)
Adjusted balance, BOP	5,886	8,910	14,796
Profits deferred	142	2,679	2,821
Interest accrual	236	320	556
Amortization	(588)	(2,109)	(2,697)
Foreign currency adjustment	(6)	(480)	(486)
Other adjustments	0	32	32
Balance, EOP, pre-flooring	5,670	9,352	15,022
Flooring impact, EOP	0	2	2
Balance, EOP	5,670	9,354	15,024
Less: Reinsurance recoverable	391	40	431
Balance after reinsurance recoverable	$ 5,279	$ 9,314	14,593
Other businesses			161
Total balance after reinsurance recoverable			$ 14,754

	Year Ended December 31, 2023		
	Deferred Profit Liability		
	Retirement Strategies	International Businesses(1)	Total
	Institutional		
	(in millions)		
Balance, BOP	$ 5,532	$ 8,640	$ 14,172
Flooring impact, BOP	0	1	1
Balance, BOP, pre-flooring	5,532	8,639	14,171
Effect of assumption update	35	(295)	(260)
Effect of actual variances from expected experience and other activity	21	(75)	(54)
Adjusted balance, BOP	5,588	8,269	13,857
Profits deferred	342	3,005	3,347
Interest accrual	227	300	527
Amortization	(565)	(2,173)	(2,738)
Foreign currency adjustment	15	(176)	(161)
Other adjustments	8	32	40
Balance, EOP, pre-flooring	5,615	9,257	14,872
Flooring impact, EOP	0	2	2
Balance, EOP	5,615	9,259	14,874
Less: Reinsurance recoverable	386	19	405
Balance after reinsurance recoverable	$ 5,229	$ 9,240	14,469
Other businesses			148
Total balance after reinsurance recoverable			$ 14,617

(1) Prior period amounts have been updated to conform to current period presentation.

Additional Insurance Reserves

AIR represents the additional liability for annuitization, death, or other insurance benefits, including GMDB and GMIB contract features, that are above and beyond the contractholder's account balance.

The following table shows a rollforward of AIR balances for variable and universal life products within Individual Life, which is the only line of business that contains a material AIR balance, for the period indicated, along with a reconciliation to the Company’s total AIR balance:

	Year Ended December 31,		
	2025	2024	2023
		(in millions)	
Balance, including amounts in AOCI, BOP, post-flooring	$ 16,376	$ 14,308	$ 12,684
Flooring impact and amounts in AOCI	632	843	1,285
Balance, excluding amounts in AOCI, BOP, pre-flooring	17,008	15,151	13,969
Effect of assumption update	(39)	153	23
Effect of actual variances from expected experience and other activity	147	266	32
Adjusted balance, BOP	17,116	15,570	14,024
Assessments collected(1)	1,203	1,251	938
Interest accrual	592	539	488
Benefits paid	(394)	(353)	(301)
Other adjustments	37	1	2
Balance, excluding amounts in AOCI, EOP, pre-flooring	18,554	17,008	15,151
Flooring impact and amounts in AOCI	(440)	(632)	(843)
Balance, including amounts in AOCI, EOP, post-flooring	18,114	16,376	14,308
Less: Reinsurance recoverable	10,726	9,543	5,852
Balance after reinsurance recoverable, including amounts in AOCI, EOP	7,388	6,833	8,456
Other businesses	179	63	131
Total balance after reinsurance recoverable	$ 7,567	$ 6,896	$ 8,587

(1) Represents the portion of gross assessments required to fund the future policy benefits.

	Year Ended December 31,		
	2025	2024	2023
Weighted-average duration of the liability in years (at original discount rate)	21	21	22
Weighted-average interest rate (at original discount rate)	3.36 %	3.36 %	3.40 %

Future Policy Benefits Reconciliation

The following table presents the reconciliation of the ending balances from above rollforwards, Benefit Reserves, DPL, and AIR including other liabilities, gross of related reinsurance recoverable, to the total liability for Future Policy Benefits on the Company's Consolidated Statement of Financial Position as of the periods indicated:

	Year Ended December 31,		
	2025	2024	2023
		(in millions)	
Benefit reserves, EOP, post-flooring	$ 183,429	$ 186,846	$ 192,302
Deferred profit liability, EOP, post-flooring	15,798	15,185	15,022
Additional insurance reserves, including amounts in AOCI, EOP, post-flooring	18,293	16,439	14,439
Subtotal of amounts disclosed above	217,520	218,470	221,763
Other Future Policy Benefits reserves(1)	49,394	50,442	51,518
Total Future Policy Benefits	$ 266,914	$ 268,912	$ 273,281

(1) Primarily represents balances for which disaggregated rollforward disclosures are not required, including Closed Block liabilities, unpaid claims and claims expenses, and incurred but not reported and in course of settlement claim liabilities.

Revenue and Interest Expense

The following tables present revenue and interest expense related to Benefit Reserves, DPL, and AIR as well as related revenue and interest expense not presented in the above supplemental tables, in the Company's Consolidated Statement of Operations as of the periods indicated:

	Year Ended December 31, 2025					
	Revenues(1)					
	Retirement Strategies	Individual Life				
	Institutional	Term Life	Variable/Universal Life	International Businesses	Other Businesses	Total
	(in millions)					
Benefit reserves	$ 10,803	$ 1,919	$ 0	$ 10,489	$ 547	$ 23,758
Deferred profit liability	282	0	0	(781)	(4)	(503)
Additional insurance reserves	0	0	3,219	92	44	3,355
Total	$ 11,085	$ 1,919	$ 3,219	$ 9,800	$ 587	$ 26,610

	Year Ended December 31, 2024					
	Revenues(1)					
	Retirement Strategies	Individual Life				
	Institutional	Term Life	Variable/Universal Life	International Businesses(2)	Other Businesses	Total
	(in millions)					
Benefit reserves	$ 22,814	$ 1,892	$ 0	$ 11,061	$ 557	$ 36,324
Deferred profit liability	(61)	0	0	(576)	(12)	(649)
Additional insurance reserves	0	0	3,458	0	0	3,458
Total	$ 22,753	$ 1,892	$ 3,458	$ 10,485	$ 545	$ 39,133

	Year Ended December 31, 2023					
	Revenues(1)					
	Retirement Strategies	Individual Life				
	Institutional	Term Life	Variable/Universal Life	International Businesses(2)	Other Businesses	Total
	(in millions)					
Benefit reserves	$ 11,156	$ 1,848	$ 0	$ 12,353	$ 540	$ 25,897
Deferred profit liability	(68)	0	0	(794)	34	(828)
Additional insurance reserves	0	0	2,947	0	0	2,947
Total	$ 11,088	$ 1,848	$ 2,947	$ 11,559	$ 574	$ 28,016

	Year Ended December 31, 2025					
	Interest Expense					
	Retirement Strategies	Individual Life				
	Institutional	Term Life	Variable/Universal Life	International Businesses	Other Businesses	Total
	(in millions)					
Benefit reserves	$ 3,600	$ 416	$ 0	$ 3,289	$ 525	$ 7,830
Deferred profit liability	230	0	0	353	4	587
Additional insurance reserves	0	0	592	2	1	595
Total	$ 3,830	$ 416	$ 592	$ 3,644	$ 530	$ 9,012

	Year Ended December 31, 2024					
	Interest Expense					
	Retirement Strategies	Individual Life				
	Institutional	Term Life	Variable/Universal Life	International Businesses(2)	Other Businesses	Total
	(in millions)					
Benefit reserves	$ 3,394	$ 415	$ 0	$ 3,191	$ 505	$ 7,505
Deferred profit liability	236	0	0	320	4	560
Additional insurance reserves	0	0	539	1	0	540
Total	$ 3,630	$ 415	$ 539	$ 3,512	$ 509	$ 8,605

	Year Ended December 31, 2023					
	Interest Expense					
	Retirement Strategies	Individual Life				
	Institutional	Term Life	Variable/Universal Life	International Businesses(2)	Other Businesses	Total
	(in millions)					
Benefit reserves	$ 2,876	$ 406	$ 0	$ 3,233	$ 490	$ 7,005
Deferred profit liability	227	0	0	300	4	531
Additional insurance reserves	0	0	488	2	0	490
Total	$ 3,103	$ 406	$ 488	$ 3,535	$ 494	$ 8,026

(1) Represents “Gross premiums” for benefit reserves, “Revenue” for DPL and “Gross assessments” for AIR.
(2) Prior period amounts have been updated to conform to current period presentation.

13. POLICYHOLDERS’ ACCOUNT BALANCES

The balances of and changes in policyholders' account balances as of and for the periods ended are as follows:

	Year Ended December 31, 2025						
	Retirement Strategies			Group Insurance	Individual Life		
	Institutional	Individual Variable	Individual Fixed	Life/Disability	Variable/Universal Life	International Businesses	Total
				($ in millions)			
Balance, beginning of period	$ 19,088	$ 34,085	$ 12,020	$ 4,974	$ 27,596	$ 54,270	$ 152,033
Deposits	9,706	7,232	5,922	1,363	2,887	9,159	36,269
Interest credited	884	729	392	137	605	2,169	4,916
Dispositions	0	0	0	0	0	0	0
Policy charges	(10)	(75)	(54)	(325)	(2,060)	(618)	(3,142)
Surrenders and withdrawals	(5,639)	(1,238)	(1,079)	(1,337)	(1,960)	(1,902)	(13,155)
Benefit payments	(664)	(57)	(135)	0	(121)	(2,295)	(3,272)
Net transfers (to) from separate account	0	15	0	(49)	786	0	752
Change in market value and other adjustments(1)	1	3,301	266	0	535	(12)	4,091
Foreign currency adjustment	0	0	0	0	0	175	175
Balance, end of period	$ 23,366	$ 43,992	$ 17,332	$ 4,763	$ 28,268	$ 60,946	178,667
Closed Block Division							4,273
Unearned revenue reserve, unearned expense credit, and additional interest reserve							6,782
Other(2)							1,585
Total Policyholders' account balance							$ 191,307
Weighted-average crediting rate	4.16 %	1.87 %	2.67 %	2.82 %	2.16 %	3.76 %	2.97 %
Net amount at risk(3)	$ 0	$ 0	$ 0	$ 72,850	$ 418,361	$ 29,906	$ 521,117
Cash surrender value(4)	$ 23,366	$ 42,831	$ 15,442	$ 3,871	$ 22,386	$ 55,511	$ 163,407

	Year Ended December 31, 2024						
	Retirement Strategies			Group Insurance	Individual Life		
	Institutional	Individual Variable	Individual Fixed	Life/Disability	Variable/Universal Life	International Businesses(5)	Total
				($ in millions)			
Balance, beginning of period	$ 17,738	$ 23,765	$ 7,095	$ 5,293	$ 27,439	$ 51,399	$ 132,729
Deposits	7,106	8,318	5,266	1,313	2,505	8,862	33,370
Interest credited	757	511	252	148	774	1,810	4,252
Dispositions	0	0	0	0	0	(336)	(336)
Policy charges	(11)	(33)	(5)	(322)	(2,051)	(570)	(2,992)
Surrenders and withdrawals	(5,895)	(919)	(719)	(1,452)	(1,654)	(2,373)	(13,012)
Benefit payments	(607)	(85)	(79)	0	(137)	(2,348)	(3,256)
Net transfers (to) from separate account	0	122	0	(6)	613	0	729
Change in market value and other adjustments(1)	0	2,406	210	0	107	(30)	2,693
Foreign currency adjustment	0	0	0	0	0	(2,144)	(2,144)
Balance, end of period	$ 19,088	$ 34,085	$ 12,020	$ 4,974	$ 27,596	$ 54,270	152,033
Closed Block Division							4,359
Unearned revenue reserve, unearned expense credit, and additional interest reserve							6,009
Other(2)							3,853
Total Policyholders' account balance							$ 166,254
Weighted-average crediting rate	4.11 %	1.77 %	2.64 %	2.88 %	2.81 %	3.43 %	2.99 %
Net amount at risk(3)	$ 0	$ 0	$ 0	$ 73,259	$ 400,990	$ 26,435	$ 500,684
Cash surrender value(4)	$ 19,058	$ 32,501	$ 10,305	$ 3,892	$ 23,886	$ 49,028	$ 138,670

	Year Ended December 31, 2023						
	Retirement Strategies			Group Insurance	Individual Life		
	Institutional	Individual Variable	Individual Fixed	Life/Disability	Variable/Universal Life	International Businesses(5)	Total
				($ in millions)			
Balance, beginning of period	$ 17,376	$ 17,524	$ 4,643	$ 5,839	$ 26,502	$ 46,493	$ 118,377
Deposits	5,657	4,638	2,659	1,212	2,447	9,028	25,641
Interest credited	677	305	129	165	773	1,445	3,494
Dispositions	0	0	0	0	0	0	0
Policy charges	(23)	(24)	(9)	(323)	(2,047)	(529)	(2,955)
Surrenders and withdrawals	(5,290)	(704)	(414)	(1,552)	(1,820)	(1,705)	(11,485)
Benefit payments	(659)	(76)	(76)	0	(154)	(2,185)	(3,150)
Net transfers (to) from separate account	0	34	0	(48)	1,393	0	1,379
Change in market value and other adjustments(1)	0	2,068	163	0	345	22	2,598
Foreign currency adjustment	0	0	0	0	0	(1,170)	(1,170)
Balance, end of period	$ 17,738	$ 23,765	$ 7,095	$ 5,293	$ 27,439	$ 51,399	132,729
Closed Block Division							4,500
Unearned revenue reserve, unearned expense credit, and additional interest reserve							5,326
Other(2)							4,463
Total Policyholders' account balance							$ 147,018
Weighted-average crediting rate	3.85 %	1.48 %	2.21 %	2.96 %	2.87 %	2.95 %	2.78 %
Net amount at risk(3)	$ 0	$ 0	$ 0	$ 72,858	$ 382,399	$ 25,729	$ 480,986
Cash surrender value(4)	$ 17,738	$ 21,640	$ 5,827	$ 4,021	$ 23,234	$ 45,101	$ 117,561

(1) Primarily relates to changes in the value of embedded derivative instruments associated with the indexed options of certain products.
(2) Includes $2,738 million, $5,099 million and $5,479 million of the Full Service Retirement business's account balances reinsured to Empower for December 31, 2025, 2024 and 2023, respectively.
(3) The net amount at risk calculation includes both general account and separate account balances.
(4) Cash surrender value represents the amount of the contractholder's account balances distributable at the balance sheet date less certain surrender charges. There are no cash surrender charges for the Institutional Retirement Strategies segment.
(5) Prior period amounts have been updated to conform to current period presentation.

"Policyholders' account balances" for Institutional Retirement Strategies, International Businesses and Corporate and Other includes the Company's Funding Agreement-Backed Notes ("FABN") and Funding Agreement-Backed Commercial Paper ("FACP") programs, which totaled $8,674 million, $5,547 million and $5,597 million, at December 31, 2025, 2024 and 2023, respectively. Under these programs, which have maximum authorized amounts of $15 billion of medium-term notes and $6 billion of commercial paper, Delaware statutory trusts issue short-term commercial paper and/or medium-term notes to investors that are secured by funding agreements issued to the trusts by PICA. The outstanding commercial paper and notes have fixed or floating interest rates that range from 0.0% to 5.6% and original maturities ranging from two months to ten years. Included in the amounts at December 31, 2025, 2024 and 2023 are funding agreements which secure the medium-term note liability, which are carried at amortized cost, of $5,694 million, $3,486 million and $3,474 million, respectively, and short-term note liability of $2,500 million, $2,086 million and $2,156 million, respectively, and Retail Note liability of $508 million, $136 million, and $0 million, respectively.

"Policyholders' account balances" for Institutional Retirement Strategies also includes collateralized funding agreements issued to the Federal Home Loan Bank of New York ("FHLBNY") totaling $2,628 million, $2,628 million, and $2,628 million, as of December 31, 2025, 2024 and 2023, respectively. These obligations, which are carried at amortized cost, have fixed interest rates that range from 1.925% to 4.510% and original maturities of seven years. For additional details regarding the FHLBNY program, see Note 18.

The Company issues variable life and universal life insurance contracts which may also include a "no-lapse guarantee" where the Company contractually guarantees to the contractholder a death benefit even when the account value drops to zero, as long as the "no-lapse guarantee" premium is paid.

The net amount at risk is generally defined as the current death benefit in excess of the current account balance at the balance sheet date. The Company's primary risk exposures for these contracts relates to actual deviations from, or changes to,

the assumptions used in the original pricing of these products, including contractholder mortality, contract lapses, and premium pattern, as well as interest rate and equity market returns.

The Company also issues annuity contracts that provide certain death benefit and/or living benefit guarantees and are accounted for as MRBs. See Note 14 for additional information, including the net amount at risk associated with these guarantees.

The balance of account values by range of guaranteed minimum crediting rates and the related range of difference, in basis points ("bps"), between rates being credited to policyholders and the respective guaranteed minimums are as follows:

Range of Guaranteed Minimum Crediting Rate (1)	December 31, 2025				
	At guaranteed minimum	1 - 50 bps above guaranteed minimum	51 - 150 bps above guaranteed minimum	Greater than 150 bps above guaranteed minimum	Total
			(in millions)		
Retirement Strategies - Institutional					
Less than 1.00%	$ 208	$ 0	$ 0	$ 0	$ 208
1.00% - 1.99%	1,552	0	0	0	1,552
2.00% - 2.99%	71	0	0	0	71
3.00% - 4.00%	4,015	0	0	0	4,015
Greater than 4.00%	6,316	0	0	0	6,316
Total	$ 12,162	$ 0	$ 0	$ 0	$ 12,162
Retirement Strategies - Individual Variable					
Less than 1.00%	$ 422	$ 120	$ 332	$ 0	$ 874
1.00% - 1.99%	82	432	1	0	515
2.00% - 2.99%	19	7	4	0	30
3.00% - 4.00%	1,495	6	9	0	1,510
Greater than 4.00%	73	0	0	0	73
Total	$ 2,091	$ 565	$ 346	$ 0	$ 3,002
Retirement Strategies - Individual Fixed					
Less than 1.00%	$ 3	$ 7	$ 28	$ 1,743	$ 1,781
1.00% - 1.99%	395	46	208	46	695
2.00% - 2.99%	572	1,463	543	15	2,593
3.00% - 4.00%	3,072	12	11	3	3,098
Greater than 4.00%	73	0	0	0	73
Total	$ 4,115	$ 1,528	$ 790	$ 1,807	$ 8,240
Group Insurance - Life / Disability					
Less than 1.00%	$ 0	$ 0	$ 0	$ 771	$ 771
1.00% - 1.99%	3	0	0	2	5
2.00% - 2.99%	40	0	0	0	40
3.00% - 4.00%	1,418	7	69	4	1,498
Greater than 4.00%	3	0	0	0	3
Total	$ 1,464	$ 7	$ 69	$ 777	$ 2,317
Individual Life - Variable / Universal Life					
Less than 1.00%	$ 0	$ 0	$ 0	$ 373	$ 373
1.00% - 1.99%	387	0	2,063	1,747	4,197
2.00% - 2.99%	267	1,604	2,731	567	5,169
3.00% - 4.00%	5,166	1,952	1,349	54	8,521
Greater than 4.00%	5,271	0	0	0	5,271
Total	$ 11,091	$ 3,556	$ 6,143	$ 2,741	$ 23,531
International Businesses					
Less than 1.00%	$ 3,652	$ 23	$ 0	$ 0	$ 3,675
1.00% - 1.99%	14,806	32	0	0	14,838
2.00% - 2.99%	7,725	276	24	0	8,025
3.00% - 4.00%	10,265	0	0	0	10,265
Greater than 4.00%	18,676	0	0	0	18,676
Total	$ 55,124	$ 331	$ 24	$ 0	$ 55,479

Range of Guaranteed Minimum Crediting Rate (1)	December 31, 2024				
	At guaranteed minimum	1 - 50 bps above guaranteed minimum	51 - 150 bps above guaranteed minimum	Greater than 150 bps above guaranteed minimum	Total
			(in millions)		
Retirement Strategies - Institutional					
Less than 1.00%	$ 401	$ 0	$ 0	$ 0	$ 401
1.00% - 1.99%	1,552	0	0	0	1,552
2.00% - 2.99%	79	0	0	0	79
3.00% - 4.00%	3,889	0	0	0	3,889
Greater than 4.00%	3,341	0	0	0	3,341
Total	$ 9,262	$ 0	$ 0	$ 0	$ 9,262
Retirement Strategies - Individual Variable					
Less than 1.00%	$ 129	$ 503	$ 647	$ 0	$ 1,279
1.00% - 1.99%	124	295	2	0	421
2.00% - 2.99%	21	4	4	0	29
3.00% - 4.00%	1,708	3	8	0	1,719
Greater than 4.00%	83	0	0	0	83
Total	$ 2,065	$ 805	$ 661	$ 0	$ 3,531
Retirement Strategies - Individual Fixed					
Less than 1.00%	$ 0	$ 3	$ 12	$ 1,022	$ 1,037
1.00% - 1.99%	461	83	208	69	821
2.00% - 2.99%	538	465	557	16	1,576
3.00% - 4.00%	2,074	84	11	3	2,172
Greater than 4.00%	84	0	0	0	84
Total	$ 3,157	$ 635	$ 788	$ 1,110	$ 5,690
Group Insurance - Life / Disability					
Less than 1.00%	$ 0	$ 0	$ 0	$ 959	$ 959
1.00% - 1.99%	0	0	3	2	5
2.00% - 2.99%	24	15	0	0	39
3.00% - 4.00%	1,482	0	38	22	1,542
Greater than 4.00%	3	0	0	0	3
Total	$ 1,509	$ 15	$ 41	$ 983	$ 2,548
Individual Life - Variable / Universal Life					
Less than 1.00%	$ 7	$ 0	$ 0	$ 317	$ 324
1.00% - 1.99%	290	0	2,238	1,513	4,041
2.00% - 2.99%	33	1,668	2,750	419	4,870
3.00% - 4.00%	6,098	1,727	1,321	36	9,182
Greater than 4.00%	5,384	0	0	0	5,384
Total	$ 11,812	$ 3,395	$ 6,309	$ 2,285	$ 23,801
International Businesses(2)					
Less than 1.00%	$ 15,556	$ 41	$ 80	$ 2,984	$ 18,661
1.00% - 1.99%	10,431	79	0	0	10,510
2.00% - 2.99%	4,546	267	29	0	4,842
3.00% - 4.00%	6,699	0	0	0	6,699
Greater than 4.00%	9,072	0	0	0	9,072
Total	$ 46,304	$ 387	$ 109	$ 2,984	$ 49,784

Range of Guaranteed Minimum Crediting Rate (1)	December 31, 2023				
	At guaranteed minimum	1 - 50 bps above guaranteed minimum	51 - 150 bps above guaranteed minimum	Greater than 150 bps above guaranteed minimum	Total
			(in millions)		
Retirement Strategies - Institutional					
Less than 1.00%	$ 589	$ 0	$ 0	$ 0	$ 589
1.00% - 1.99%	1,552	0	0	0	1,552
2.00% - 2.99%	596	0	0	0	596
3.00% - 4.00%	5,041	0	0	0	5,041
Greater than 4.00%	1,906	0	0	0	1,906
Total	$ 9,684	$ 0	$ 0	$ 0	$ 9,684
Retirement Strategies - Individual Variable					
Less than 1.00%	$ 908	$ 807	$ 18	$ 0	$ 1,733
1.00% - 1.99%	218	2	1	0	221
2.00% - 2.99%	29	4	4	0	37
3.00% - 4.00%	1,942	13	10	0	1,965
Greater than 4.00%	95	0	0	0	95
Total	$ 3,192	$ 826	$ 33	$ 0	$ 4,051
Retirement Strategies - Individual Fixed					
Less than 1.00%	$ 0	$ 0	$ 1	$ 117	$ 118
1.00% - 1.99%	526	122	250	80	978
2.00% - 2.99%	550	469	562	17	1,598
3.00% - 4.00%	321	11	0	0	332
Greater than 4.00%	95	0	0	0	95
Total	$ 1,492	$ 602	$ 813	$ 214	$ 3,121
Group Insurance - Life / Disability					
Less than 1.00%	$ 0	$ 0	$ 0	$ 1,147	$ 1,147
1.00% - 1.99%	0	0	0	0	0
2.00% - 2.99%	29	0	0	0	29
3.00% - 4.00%	1,543	0	0	50	1,593
Greater than 4.00%	73	0	0	0	73
Total	$ 1,645	$ 0	$ 0	$ 1,197	$ 2,842
Individual Life - Variable / Universal Life					
Less than 1.00%	$ 0	$ 0	$ 0	$ 368	$ 368
1.00% - 1.99%	201	0	2,588	813	3,602
2.00% - 2.99%	30	1,445	2,944	340	4,759
3.00% - 4.00%	4,422	4,092	1,311	19	9,844
Greater than 4.00%	5,491	0	0	0	5,491
Total	$ 10,144	$ 5,537	$ 6,843	$ 1,540	$ 24,064
International Businesses(2)					
Less than 1.00%	$ 16,306	$ 43	$ 89	$ 1,996	$ 18,434
1.00% - 1.99%	11,985	91	0	0	12,076
2.00% - 2.99%	5,238	310	36	0	5,584
3.00% - 4.00%	4,732	0	0	0	4,732
Greater than 4.00%	5,819	0	0	0	5,819
Total	$ 44,080	$ 444	$ 125	$ 1,996	$ 46,645

(1) Excludes contracts without minimum guaranteed crediting rates, such as funds with indexed-linked crediting options and Japan variable products.
(2) Prior period amounts have been updated to conform to current period presentation.

Unearned Revenue Reserve

The balance of and changes in URR as of and for the periods ended are as follows:

	Year Ended December 31, 2025		
	Individual Life		
	Variable/ Universal Life	International Businesses	Total
	(in millions)		
Balance, beginning of period	$ 5,245	$ 505	$ 5,750
Unearned revenue	866	195	1,061
Amortization expense	(255)	(30)	(285)
Other adjustments	0	0	0
Foreign currency adjustment	0	(4)	(4)
Balance, end of period	$ 5,856	$ 666	6,522
Other			69
Total unearned revenue reserve balance			$ 6,591

	Year Ended December 31, 2024		
	Individual Life		
	Variable/ Universal Life	International Businesses(1)	Total
	(in millions)		
Balance, beginning of period	$ 4,613	$ 454	$ 5,067
Unearned revenue	872	161	1,033
Amortization expense	(240)	(22)	(262)
Other adjustments	0	(58)	(58)
Foreign currency adjustment	0	(30)	(30)
Balance, end of period	$ 5,245	$ 505	5,750
Other			59
Total unearned revenue reserve balance			$ 5,809

	Year Ended December 31, 2023		
	Individual Life		
	Variable/Universal Life	International Businesses(1)	Total
	(in millions)		
Balance, beginning of period	$ 3,983	$ 312	$ 4,295
Unearned revenue	841	169	1,010
Amortization expense	(211)	(15)	(226)
Other adjustments	0	3	3
Foreign currency adjustment	0	(15)	(15)
Balance, end of period	$ 4,613	$ 454	5,067
Other			49
Total unearned revenue reserve balance			$ 5,116

(1) Prior period amounts have been updated to conform to current period presentation.

14. MARKET RISK BENEFITS

The following table shows a rollforward of MRB balances for annuity products within Individual Retirement Strategies, which is the only line of business that contains a material MRB balance, along with a reconciliation to the Company's total net MRB positions as of the following dates:

	Year Ended December 31, 2025		
	Retirement Strategies		
	Individual Variable	Individual Fixed	Total
	(in millions)		
Balance, BOP	$ 2,740	$ 0	$ 2,740
Effect of cumulative changes in NPR	672	0	672
Balance, BOP, before effect of changes in NPR	3,412	0	3,412
Attributed fees collected	1,033	20	1,053
Claims paid	(76)	0	(76)
Interest accrual	182	5	187
Actual in force different from expected	64	(2)	62
Effect of changes in interest rates	(268)	(35)	(303)
Effect of changes in equity markets	(1,183)	(13)	(1,196)
Effect of assumption update and other refinements	112	151	263
Issuances	59	37	96
Other adjustments	38	3	41
Balance, EOP, before effect of changes in NPR	3,373	166	3,539
Effect of cumulative changes in NPR	(487)	10	(477)
Balance, EOP	2,886	176	3,062
Less: Reinsured MRBs	804	0	804
Balance, EOP, net of reinsurance	$ 2,082	$ 176	2,258
Other businesses			35
Total net MRB balance			$ 2,293

	Year Ended December 31, 2024		
	Retirement Strategies		
	Individual Variable	Individual Fixed	Total
	(in millions)		
Balance, BOP	$ 4,038	$ 0	$ 4,038
Effect of cumulative changes in NPR	1,137	0	1,137
Balance, BOP, before effect of changes in NPR	5,175	0	5,175
Attributed fees collected	1,122	0	1,122
Claims paid	(79)	0	(79)
Interest accrual	246	0	246
Actual in force different from expected	47	0	47
Effect of changes in interest rates	(1,493)	0	(1,493)
Effect of changes in equity markets	(1,745)	0	(1,745)
Effect of assumption update and other refinements(1)	88	0	88
Issuances	72	0	72
Other adjustments(1)	(21)	0	(21)
Balance, EOP, before effect of changes in NPR	3,412	0	3,412
Effect of cumulative changes in NPR	(672)	0	(672)
Balance, EOP	2,740	0	2,740
Less: Reinsured MRBs	654	0	654
Balance, EOP, net of reinsurance	$ 2,086	$ 0	2,086
Other businesses			38
Total net MRB balance			$ 2,124

(1) Prior period amounts have been updated to conform to current presentation.

	Year Ended December 31, 2023		
	Retirement Strategies		
	Individual Variable	Individual Fixed	Total
	(in millions)		
Balance, BOP	$ 4,987	$ 0	$ 4,987
Effect of cumulative changes in NPR	1,828	0	1,828
Balance, BOP, before effect of changes in NPR	6,815	0	6,815
Attributed fees collected	1,186	0	1,186
Claims paid	(114)	0	(114)
Interest accrual	317	0	317
Actual in force different from expected	80	0	80
Effect of changes in interest rates	(1,480)	0	(1,480)
Effect of changes in equity markets	(1,952)	0	(1,952)
Effect of assumption update and other refinements(1)	276	0	276
Issuances	23	0	23
Other adjustments(1)	24	0	24
Balance, EOP, before effect of changes in NPR	5,175	0	5,175
Effect of cumulative changes in NPR	(1,137)	0	(1,137)
Balance, EOP	4,038	0	4,038
Less: Reinsured MRBs	616	0	616
Balance, EOP, net of reinsurance	$ 3,422	$ 0	3,422
Other businesses			64
Total net MRB balance			$ 3,486

(1) Prior period amounts have been updated to conform to current presentation.

In 2025, 2024 and 2023, the Company recognized an unfavorable impact to net income attributable to the actuarial assumption update for direct and assumed MRBs, primarily due to updates to policyholder behavior assumptions.

The Company issues certain variable annuity insurance contracts where the Company contractually guarantees to the contractholder a return of no less than (1) total deposits made to the contract adjusted for any partial withdrawals plus a minimum return, and/or (2) the highest anniversary contract value on a specified date adjusted for any withdrawals. These guarantees include benefits that are payable in the event of death, annuitization or at specified dates during the accumulation period and withdrawal and income benefits payable during specified periods.

The Company also issues indexed annuity contracts for which the return is tied to the return of specific indices where the Company contractually guarantees to the contractholder a return of no less than total deposits made to the contract adjusted for any partial withdrawals upon death. In certain of these indexed annuity contracts, the Company also contractually guarantees to the contractholder withdrawal benefits payable during specific periods.

For guarantees of benefits that are payable in the event of death, the net amount at risk is generally defined as the current guaranteed minimum death benefit in excess of the current account balance at the balance sheet date. The Company's primary risk exposures for these contracts relates to actual deviations from, or changes to, the assumptions used in the original pricing of these products, including fixed income and equity market returns, contract lapses and contractholder mortality.

For guarantees of benefits that are payable at annuitization, the net amount at risk is generally defined as the present value of the minimum guaranteed annuity payments available to the contractholder determined in accordance with the terms of the contract in excess of the current account balance. The Company's primary risk exposures for these contracts relates to actual deviations from, or changes to, the assumptions used in the original pricing of these products, including fixed income and equity market returns, timing of annuitization, contract lapses and contractholder mortality.

For guarantees of benefits that are payable at withdrawal, the net amount at risk is generally defined as the present value of the minimum guaranteed withdrawal payments available to the contractholder determined in accordance with the terms of the contract in excess of the current account balance.

For guarantees of accumulation balances, the net amount at risk is generally defined as the guaranteed minimum accumulation balance minus the current account balance. The Company's primary risk exposures for these contracts relates to actual deviations from, or changes to, the assumptions used in the original pricing of these products, including equity market returns, interest rates, market volatility and contractholder behavior.

The following tables present accompanying information to the rollforward table above.

	December 31, 2025	
	Retirement Strategies	
	Individual Variable	Individual Fixed
	($ in millions)	
Net amount at risk(1)	$ 8,075	$ 513
Weighted-average attained age of contractholders	72	68

	December 31, 2024	
	Retirement Strategies	
	Individual Variable	Individual Fixed
	($ in millions)	
Net amount at risk(1)	$ 9,285	N/A
Weighted-average attained age of contractholders	71	N/A

	December 31, 2023	
	Retirement Strategies	
	Individual Variable	Individual Fixed
	($ in millions)	
Net amount at risk(1)	$ 9,753	N/A
Weighted-average attained age of contractholders	70	N/A

(1) For contracts with multiple benefit features, the highest net amount at risk for each contract is included.

The tables below reconcile MRB asset and liability positions as of the following dates:

	December 31, 2025			
	Retirement Strategies			
	Individual Variable	Individual Fixed	Other Businesses	Total
	(in millions)			
Direct and assumed	$ 1,399	$ 3	$ 0	$ 1,402
Ceded	928	0	0	928
Total MRB assets	$ 2,327	$ 3	$ 0	$ 2,330
Direct and assumed	$ 4,285	$ 179	$ 35	$ 4,499
Ceded	124	0	0	124
Total MRB liabilities	$ 4,409	$ 179	$ 35	$ 4,623
Net liability	$ 2,082	$ 176	$ 35	$ 2,293

	December 31, 2024			
	Retirement Strategies			
	Individual Variable	Individual Fixed	Other Businesses	Total
	(in millions)			
Direct and assumed	$ 1,516	$ 0	$ 9	$ 1,525
Ceded	804	0	2	806
Total MRB assets	$ 2,320	$ 0	$ 11	$ 2,331
Direct and assumed	$ 4,256	$ 0	$ 49	$ 4,305
Ceded	150	0	0	150
Total MRB liabilities	$ 4,406	$ 0	$ 49	$ 4,455
Net liability	$ 2,086	$ 0	$ 38	$ 2,124

	December 31, 2023			
	Retirement Strategies			
	Individual Variable	Individual Fixed	Other Businesses	Total
	(in millions)			
Direct and assumed	$ 1,221	$ 0	$ 11	$ 1,232
Ceded	746	0	3	749
Total MRB assets	$ 1,967	$ 0	$ 14	$ 1,981
Direct and assumed	$ 5,259	$ 0	$ 78	$ 5,337
Ceded	130	0	0	130
Total MRB liabilities	$ 5,389	$ 0	$ 78	$ 5,467
Net liability	$ 3,422	$ 0	$ 64	$ 3,486

.

15. REINSURANCE

The Company regularly enters into third-party reinsurance agreements as either the ceding entity or the assuming entity. The Company also enters into affiliated reinsurance agreements as both the ceding and assuming entity for capital management purposes. As a ceding entity, exposure to the risks reinsured is reduced by transferring certain rights and obligations of the underlying insurance product to a counterparty. Conversely, as an assuming entity, exposure to the risks reinsured is increased by assuming certain rights and obligations of the underlying insurance products from a counterparty.

The Company enters into reinsurance agreements as the ceding entity for a variety of reasons, but primarily to reduce exposure to loss, reduce risk volatility, provide additional capacity for future growth, facilitate the disposition of a block of business, and for capital management purposes. Under ceded reinsurance, the Company remains liable to the underlying policyholder if a third-party reinsurer is unable to meet its obligations. To mitigate this exposure, the Company evaluates the financial condition of reinsurers, monitors the concentration of counterparty risk and maintains collateral, as appropriate.

The Company enters into reinsurance agreements as the assuming entity as part of the normal product offering process (e.g., certain pension risk transfer products in the Institutional Retirement Strategies business) or in order to facilitate an acquisition of a block of business.

Effective October 2024, the Company entered into an agreement with Wilton Reassurance Company and Wilton Reinsurance Bermuda Limited (collectively, "Wilton Re") to reinsure certain guaranteed universal life policies issued by Pruco Life Insurance Company ("Pruco Life") and Pruco Life Insurance Company of New Jersey ("PLNJ"), both of which are wholly-owned subsidiaries of Prudential Financial. These policies represented approximately 40% of the Company's remaining statutory reserves on its in-force guaranteed universal life block of business as of September 30, 2024, following the close of the reinsurance transaction with Somerset Reinsurance Ltd. ("Somerset Re"), as discussed below. The transaction is structured on a coinsurance basis and follows reinsurance accounting. As a result of the transaction, the Company recognized a $980 million deferred reinsurance loss at inception that is amortized into income over the estimated remaining life of the reinsured policies.

Effective January 2024, the Company entered into an agreement with Somerset Re to reinsure certain guaranteed universal life policies issued by Pruco Life and PLNJ, both of which are wholly-owned subsidiaries of Prudential Financial. These policies represented approximately 30% of the Company's statutory reserves on its in-force guaranteed universal life block of business as of December 31, 2023. This transaction is structured on a modified coinsurance basis and follows reinsurance accounting. As a result of the transaction, the Company recognized a $363 million deferred reinsurance gain at inception that is amortized into income over the estimated remaining life of the reinsured policies. The reinsurance payables, which represent the Company's obligations under the modified coinsurance arrangement, are netted with the reinsurance recoverables in the Consolidated Statements of Financial Position. Separately, effective September 2019, Prudential Annuities Life Assurance Corporation ("PALAC"), a previously wholly-owned subsidiary of Prudential Financial, entered into an agreement with Somerset Re, to coinsure business, on a quota share funds withheld basis, related to fixed indexed annuities. This agreement was subsequently novated from PALAC to Pruco Life effective October 2021, in connection with the sale of PALAC effective April 2022. Under this reinsurance agreement, which is accounted for under the deposit method of accounting, the Company cedes to Somerset Re its quota share of the insurance liabilities with respect to the reinsured contracts.

Effective September 2023, the Company entered into an agreement with Prismic Life Reinsurance, Ltd. ("Prismic Re"), a wholly-owned subsidiary of Prismic Life Holding Company LP ("Prismic"), to reinsure approximately $9 billion of reserves, representing approximately 70% of the in-force structured settlement annuities business previously issued by PICA, 90% of which is on a coinsurance with funds withheld basis and 10% of which is on a coinsurance basis. The reinsurance of the structured settlement annuities that provide periodic payments for the lifetime of the annuitant follows reinsurance accounting. The reinsurance of structured settlement annuities that provide payments for a guaranteed period of time and do not include life contingency risk follows deposit accounting. Separately, effective March 2025, the Company entered into an agreement with Prismic Life Reinsurance International, Ltd. ("Prismic Re International"), a wholly-owned subsidiary of Prismic, to reinsure approximately $7 billion of reserves for certain USD-denominated Japanese whole life policies originated by the Company's Japanese affiliates. The transaction is structured on a coinsurance basis and is accounted for under the deposit method of accounting as the reinsured policies do not include life contingency risk and are accounted for as investment contracts. See Note 24 for additional information regarding the Company's transactions with Prismic.

Effective April 2023, the Company entered into an agreement with The Ohio National Life Insurance Company, now known as AuguStar, an affiliate of Constellation Insurance Holdings, Inc., to reinsure approximately $10 billion of account values of PDI traditional variable annuity contracts with guaranteed living benefits issued by Pruco Life, a wholly-owned subsidiary of Prudential Financial. This block represents approximately 10% of the Company's remaining legacy in-force traditional variable annuity block by account value. The Company ceded 100% of separate account liabilities under modified coinsurance and 100% of general account liabilities under coinsurance of its Pruco Life issued PDI traditional variable annuity contracts. The general account liabilities associated with PDI's guaranteed living and death benefits and the corresponding reinsurance of those liabilities are accounted for as market risk benefits.

Effective April 2022, in connection with the sale of the Full Service Retirement business, the Company entered into separate agreements with external counterparties, Great-West and Great-West Life & Annuity Insurance Company of New York, now known as Empower Annuity Insurance Company of America and Empower Life & Annuity Insurance Company of New York (collectively, "Empower"), respectively, to reinsure a portion of its Full Service Retirement business. The Company ceded 100% of separate account liabilities under modified coinsurance and 100% of general account liabilities under coinsurance of its Full Service Retirement business. The Company's Full Service Retirement business consists of market value and stable value separate accounts as well as general account products, including stable value accumulation funds and a stable value wrap product known as a synthetic guaranteed investment contract. The majority of these products are considered investment contracts as they do not contain significant insurance risk; therefore, the reinsurance of such products are accounted for under the deposit method of accounting. The reinsurance agreement offers the policyholders the opportunity to novate their contracts from the Company to Empower and any such novated contracts shall cease to be reinsured under this agreement.

Effective April 2022, in connection with the sale of the PALAC legal entity, now known as Fortitude Life Insurance and Annuity Company ("FLIAC"), the Company entered into a reinsurance agreement with FLIAC under which the Company assumed all of FLIAC's indexed variable annuities under modified coinsurance. The reinsurance of the indexed variable annuities transfers all significant risks, including mortality risk, embedded in the reinsured contracts. As a result of the agreement, reinsurance recoverables includes the assumed modified coinsurance receivable, which reflects the value of the invested assets retained by FLIAC and the associated asset returns. The Company also assumed via coinsurance all of FLIAC's fixed indexed annuities with a guaranteed lifetime withdrawal income feature, which are accounted for under the deposit method of accounting. The reinsurance agreement offers the policyholders the opportunity to novate their contracts from FLIAC to the Company and any such novated contracts shall cease to be reinsured under this agreement.

In January 2013, the Company acquired the Hartford Life Business through reinsurance transactions with three subsidiaries of Hartford Financial Services Group, Inc. ("Hartford Financial"). Under the related agreements, the Company provided reinsurance for approximately 700,000 life insurance policies with net retained face amount in force of approximately $141 billion. The Company acquired the general account business through a coinsurance arrangement and, for certain types of general account policies, a modified coinsurance arrangement. The Company acquired the separate account business through a modified coinsurance arrangement. In May 2018, Hartford Financial sold a group of operating subsidiaries, which included two of the Company's counterparties to these reinsurance arrangements, to Talcott Resolution Life Insurance Company ("Talcott Resolution"). Talcott Resolution was acquired by Sixth Street in July 2021. There was no impact to the terms, rights or obligations of the Company, or operation of these reinsurance arrangements, as a result of these changes in control of such counterparties.

Since 2011, the Company has entered into a number of reinsurance agreements to assume pension liabilities in the United Kingdom. Under these arrangements, the Company assumes the longevity risk, and in some arrangements, also the investment risk associated with the pension benefits of certain specified beneficiaries. The Company also obtains collateral from its counterparties to mitigate counterparty default risk.

In 2006, the Company acquired the variable annuity business of The Allstate Corporation ("Allstate") through a reinsurance transaction. The reinsurance arrangements with Allstate include a coinsurance arrangement associated with the general account liabilities assumed and a modified coinsurance arrangement associated with the separate account liabilities assumed. The reinsurance payables, which represent the Company's obligations under the modified coinsurance arrangement, are netted with the reinsurance recoverables in the Consolidated Statements of Financial Position. During the fourth quarter of 2021, Allstate sold the two counterparties to the aforementioned variable annuity reinsurance transaction to third parties. There was no impact to the terms, rights or obligations of the Company, or operation of these reinsurance arrangements, as a result of this change in control of such counterparties.

For the domestic businesses, life and disability reinsurance is accomplished through various types of reinsurance, primarily yearly renewable term, per person excess, excess of loss, and coinsurance. On individual life policies sold since 2000, the Company has reinsured a significant portion of the mortality risk. Placement of reinsurance is accomplished primarily on an automatic basis with some specific risks reinsured on a facultative basis. The Company is authorized and has historically retained up to $30 million per life but reduced its operating retention limit to $20 million per life in 2013 and then down to $10 million per life for new business starting in 2020. Retention in excess of the operating limit is on an exception basis. The Company also uses ceded reinsurance on certain annuity contracts to reduce market sensitivity and mitigate mortality and longevity risks.

The international businesses primarily use reinsurance to obtain experience with respect to certain new product offerings and to a lesser extent, to mitigate mortality risk for certain protection products and for capital management purposes.

Reinsurance amounts included in the Consolidated Statements of Operations for "Premiums," "Policy charges and fee income," "Change in value of market risk benefits, net of related hedging gains (losses)," "Policyholders' benefits" and "Change in estimates of liability for future policy benefits" for the years ended December 31, are as follows:

	2025	2024	2023
		(in millions)	
Direct premiums	$ 26,371	$ 39,222	$ 29,475
Reinsurance assumed	6,990	6,167	5,005
Reinsurance ceded	(2,564)	(2,492)	(7,116)
Premiums	$ 30,797	$ 42,897	$ 27,364
Direct policy charges and fee income	$ 4,719	$ 4,629	$ 3,933
Reinsurance assumed	1,163	1,188	1,228
Reinsurance ceded	(1,216)	(1,519)	(634)
Policy charges and fee income	$ 4,666	$ 4,298	$ 4,527
Direct change in value of market risk benefits, net of related hedging gains (losses)	$ (545)	$ (405)	$ 123
Reinsurance assumed	64	134	120
Reinsurance ceded	6	(126)	(187)
Change in value of market risk benefits, net of related hedging gains (losses)	$ (475)	$ (397)	$ 56
Direct policyholders' benefits	$ 31,577	$ 43,743	$ 32,044
Reinsurance assumed	8,320	7,722	7,128
Reinsurance ceded	(4,673)	(4,346)	(8,241)
Policyholders' benefits	$ 35,224	$ 47,119	$ 30,931
Direct change in estimates of liability for future policy benefits	$ 113	$ 112	$ 447
Reinsurance assumed	4	78	(147)
Reinsurance ceded	(14)	(227)	37
Change in estimates of liability for future policy benefits	$ 103	$ (37)	$ 337

Reinsurance recoverables and deposit receivables are as follows:

	2025	2024
	(in millions)	
Reinsurance recoverables:		
FLIAC	$ 1,381	$ 1,442
Prismic Re(1)	5,475	5,506
Other	171	39
Individual and group annuities	7,027	6,987
Hartford Life Business(2)	2,022	2,033
Somerset Re(3)	1,667	1,591
Wilton Re	8,013	7,478
Other	8,887	7,996
Life insurance	20,589	19,098
Other reinsurance	415	401
Total reinsurance recoverables	28,031	26,486
Deposit receivables:		
Somerset Re(4)	2,491	2,795
Empower	2,471	4,821
Prismic Re(1)	3,684	3,578
Prismic Re International	6,422	0
Resolution Re(5)	849	0
Other	129	0
Total deposit receivables	16,046	11,194
Total reinsurance recoverables and deposit receivables(6)	$ 44,077	$ 37,680

(1) The Company has also recorded funds withheld and other payables related to the reinsurance agreement with Prismic Re of $7,980 million and $7,796 million as of December 31, 2025 and 2024, respectively.
(2) The Company has also recorded reinsurance payables related to the Hartford Life Business acquisition of $1,366 million and $1,387 million as of December 31, 2025 and 2024, respectively.
(3) Represents reinsurance recoverables of $8,192 million and $7,979 million as of December 31, 2025 and 2024, respectively, that are netted with reinsurance payables of $6,525 million and $6,388 million as of December 31, 2025 and 2024, respectively, related to the reinsurance agreement with Somerset Re in which the Company reinsured a portion of its in-force guaranteed universal life block of business under modified coinsurance.
(4) The Company has also recorded funds withheld and other payables related to the reinsurance agreement with Somerset Re of $2,602 million and $2,595 million as of December 31, 2025 and 2024, respectively.
(5) The Company has also recorded funds withheld and other payables related to the reinsurance of annuity contracts in the Individual Retirement Strategies business with Resolution Re, Ltd. ("Resolution Re") of $851 million as of December 31, 2025.
(6) Net of $14 million and $12 million of allowance for credit losses as of December 31, 2025 and 2024, respectively.

Excluding the reinsurance recoverables associated with the counterparties separately identified within the reinsurance recoverables table above, four major reinsurance companies account for approximately 61% of the Company's remaining reinsurance recoverables as of December 31, 2025. The Company periodically reviews the financial condition of its reinsurers, amounts recoverable therefrom, and unearned reinsurance premium, in order to reduce its exposure to loss from reinsurer insolvencies. Any expected credit losses are reflected in the CECL allowance, after considering any collateral the Company obtained in the form of a trust, letter of credit, or funds withheld arrangement. See Note 2 for additional details regarding CECL.

16. CLOSED BLOCK

On December 18, 2001, the date of demutualization, PICA established a closed block for certain in-force participating insurance policies and annuity products, along with corresponding assets used for the payment of benefits and policyholders' dividends on these products, (collectively the "Closed Block"), and ceased offering these participating products. The recorded assets and liabilities were allocated to the Closed Block at their historical carrying amounts. The Closed Block forms the principal component of the Closed Block division. See Note 23 for financial information regarding the Closed Block. The

insurance policies and annuity contracts comprising the Closed Block are managed in accordance with the Plan of Reorganization approved by the New Jersey Department of Banking and Insurance ("NJDOBI") on December 18, 2001, and PICA is directly obligated for the insurance policies and annuity contracts in the Closed Block.

The policies included in the Closed Block are specified individual life insurance policies and individual annuity contracts that were in force on the date of demutualization and for which PICA is currently paying or expects to pay experience-based policy dividends. Assets have been allocated to the Closed Block in an amount that has been determined to produce cash flows which, together with revenues from policies included in the Closed Block, are expected to be sufficient to support obligations and liabilities relating to these policies, including provision for payment of benefits, certain expenses and taxes and to provide for continuation of the policyholder dividend scales in effect in 2000, assuming experience underlying such scales continues. To the extent that, over time, cash flows from the assets allocated to the Closed Block and claims and other experience related to the Closed Block are, in the aggregate, more or less favorable than what was assumed when the Closed Block was established, total dividends paid to Closed Block policyholders may be greater than or less than the total dividends that would have been paid to these policyholders if the policyholder dividend scales in effect in 2000 had been continued. Any cash flows in excess of amounts assumed will be available for distribution over time to Closed Block policyholders and will not be available to shareholders. If the Closed Block has insufficient funds to make guaranteed policy benefit payments, such payments will be made from PICA's assets outside of the Closed Block. The Closed Block will continue in effect as long as any policy in the Closed Block remains in force unless, with the consent of the New Jersey insurance regulator, it is terminated earlier.

The excess of Closed Block liabilities over Closed Block assets at the date of the demutualization (adjusted to eliminate the impact of related amounts in AOCI) represented the estimated maximum future earnings at that date from the Closed Block expected to result from operations attributed to the Closed Block after income taxes. In establishing the Closed Block, the Company developed an actuarial calculation of the timing of such maximum future earnings. If actual cumulative earnings of the Closed Block from inception through the end of any given period are greater than the expected cumulative earnings, only the expected earnings will be recognized in income. Any excess of actual cumulative earnings over expected cumulative earnings will represent undistributed accumulated earnings attributable to policyholders, which are recorded as a policyholder dividend obligation. The policyholder dividend obligation represents amounts to be paid to Closed Block policyholders as an additional policyholder dividend unless otherwise offset by future Closed Block performance that is less favorable than originally expected. If the actual cumulative earnings of the Closed Block from its inception through the end of any given period are less than the expected cumulative earnings of the Closed Block, the Company will recognize only the actual earnings in income.

As of December 31, 2025, the Company recognized a policyholder dividend obligation of $1,635 million to Closed Block policyholders for the excess of actual cumulative earnings over expected cumulative earnings. Additionally, accumulated net unrealized investment gains (losses) were reflected as a policyholder dividend obligation of $(1,064) million at December 31, 2025, with a corresponding amount reported in AOCI. At December 31, 2024, the Company recognized a policyholder dividend obligation of $2,096 million to Closed Block policyholders for the excess of actual cumulative earnings over the expected cumulative earnings; however, due to accumulated net unrealized investment losses in excess of this amount, the policyholder dividend obligation balance as of December 31, 2024 was reduced to zero.

In December of each year, PICA's Board of Directors takes actions to either increase, continue, or decrease the dividend scale that was in effect on Closed Block policies. As a result of these actions, there was no change, and increases of approximately $109 million and $77 million in the liability for policyholder dividends for the years ended December 31, 2025, 2024 and 2023, respectively.

As of December 31, 2025, the Closed Block has sufficient funds to make guaranteed policy benefit payments and there is no expectation that assets outside of the Closed Block will be needed to fund future payments. The excess of Closed Block liabilities over Closed Block assets as of the end of the reporting period shown in the table below is a reasonable measure of the margin in the reported liabilities compared to best estimate liabilities assuming the current dividend scale. Closed Block liabilities and assets designated to the Closed Block, as well as maximum future earnings to be recognized from these liabilities and assets, are as follows:

	2025	2024
	(in millions)	
Closed Block liabilities		
Future policy benefits	$ 41,484	$ 42,464
Policyholders' dividends payable	669	688
Policyholders' dividend obligation	571	0
Policyholders' account balances	4,273	4,359
Other Closed Block liabilities	3,030	3,346
Total Closed Block liabilities	50,027	50,857
Closed Block assets		
Fixed maturities, available-for-sale, at fair value	28,721	28,570
Fixed maturities, trading, at fair value	581	647
Equity securities, at fair value	1,593	1,642
Commercial mortgage and other loans	7,464	7,652
Policy loans	3,217	3,348
Other invested assets	4,538	4,929
Short-term investments	255	520
Total investments	46,369	47,308
Cash and cash equivalents	726	400
Accrued investment income	388	403
Other Closed Block assets	279	367
Total Closed Block assets	47,762	48,478
Excess of reported Closed Block liabilities over Closed Block assets	2,265	2,379
Portion of above representing accumulated other comprehensive income (loss):		
Net unrealized investment gains (losses)	(1,230)	(2,299)
Allocated to policyholder dividend obligation	1,064	2,096
Future earnings to be recognized from Closed Block assets and Closed Block liabilities	$ 2,099	$ 2,176

Information regarding the policyholder dividend obligation is as follows:

	2025	2024
	(in millions)	
Balance, January 1	$ 0	$ 792
Impact from earnings allocable to policyholder dividend obligation	(461)	(777)
Change in net unrealized investment gains (losses) allocated to policyholder dividend obligation	1,032	(15)
Balance, December 31	$ 571	$ 0

Closed Block revenues and benefits and expenses for the years ended December 31, are as follows:

	2025	2024	2023
		(in millions)	
Revenues			
Premiums	$ 1,719	$ 1,689	$ 1,675
Net investment income	2,056	2,041	1,949
Realized investment gains (losses), net	(373)	(769)	(380)
Other income (loss)	347	319	411
Total Closed Block revenues	3,749	3,280	3,655
Benefits and Expenses			
Policyholders' benefits	2,392	2,343	2,354
Interest credited to policyholders' account balances	113	117	118
Dividends to policyholders	1,015	641	1,008
General and administrative expenses	261	266	280
Total Closed Block benefits and expenses	3,781	3,367	3,760
Closed Block revenues, net of Closed Block benefits and expenses, before income taxes	(32)	(87)	(105)
Income tax expense (benefit)	(111)	(166)	(176)
Closed Block revenues, net of Closed Block benefits and expenses and income taxes	$ 79	$ 79	$ 71

17. INCOME TAXES

The following schedule discloses significant components of income tax expense (benefit) for each year presented:

	Year Ended December 31,		
	2025	2024	2023
		(in millions)	
Current tax expense (benefit):			
U.S.	$ 60	$ 495	$ (4)
State and local	16	35	25
Foreign	579	755	667
Total current tax expense (benefit)	655	1,285	688
Deferred tax expense (benefit):			
U.S.(1)	(125)	(545)	323
State and local	2	(1)	0
Foreign(1)	521	(232)	(398)
Total deferred tax expense (benefit)	398	(778)	(75)
Total income tax expense (benefit) on income (loss) before equity in earnings of joint ventures and other operating entities	1,053	507	613
Income tax expense (benefit) on equity in earnings of joint ventures and other operating entities	40	41	34
Income tax expense (benefit) on discontinued operations	0	0	0
Income tax expense (benefit) reported in equity related to:			
Other comprehensive income (loss)	1,003	364	(837)
Total income taxes	$ 2,096	$ 912	$ (190)

(1) The U.S. deferred tax includes a benefit of $318 million, which is fully offset by a corresponding charge in foreign deferred taxes related to one of the Company's Bermuda operating insurance companies. These amounts are due to changes in Bermuda tax law in 2025. Overall, there is no impact on total taxes, as all earnings of the Bermuda entity are subject to U.S. taxation at a rate of 21%

Reconciliation of Expected Tax at Statutory Rates to Reported Income Tax Expense (Benefit)

The differences between income taxes expected at the U.S. federal statutory income tax rate of 21% applicable for 2025 and the reported income tax expense (benefit) are summarized as follows:

	As of December 31, 2025	
	($ in millions)	
Expected federal income tax expense/(benefit)	**$ 978**	**21.0 %**
State taxes (net of federal benefit)	**11**	**0.2 %**
Tax credits	**(125)**	**(2.7)%**
Foreign tax credits	(52)	(1.1) %
General business credits	(73)	(1.6) %
Effect of cross-border tax laws	**(143)**	**(3.1)%**
GILTI	48	1.0 %
Change in tax law—Bermuda	(318)	(6.8) %
Full inclusion—Bermuda	112	2.4 %
Other	15	0.3 %
Nontaxable or nondeductible items	**(137)**	**(2.9)%**
Nontaxable investment income	(160)	(3.4) %
Nondeductible expenses	23	0.5 %
Other reconciling items	**(122)**	**(2.6)%**
Foreign tax effects	**585**	**12.6 %**
Japan	**210**	**4.5 %**
National & local tax rate difference than U.S.	143	3.1 %
Other	67	1.4 %
Brazil	**169**	**3.6 %**
National tax rate difference than U.S.	80	1.7 %
Change in tax law	72	1.5 %
Other	17	0.4 %
Bermuda	**194**	**4.2 %**
National tax rate difference than U.S.	(112)	(2.4) %
Change in tax law	318	6.8 %
Other	(12)	(0.3) %
Other foreign jurisdictions	**12**	**0.3 %**
Changes in unrecognized tax benefits	**6**	**0.1 %**
Total	**$ 1,053**	**22.6 %**

The following is a description of items that impacted the difference between the Company's statutory U.S. federal income tax rate of 21% applicable for 2025 and the Company's effective tax rate:

State and Local Income Taxes. State income tax in Illinois represents the majority of the State and local income tax category. Note that in most jurisdictions, the Company's insurance operations are subject to state premium taxes in lieu of state income taxes. Premium taxes are recorded as a general expense.

General Business Credits. These amounts include U.S. tax credits for Low-income Housing. In August 2022, the Inflation Reduction Act was enacted which included provisions that allow for the transfer of certain federal clean energy tax credits (Federal Transferable Tax Credits). During 2025, the Company paid $192 million to purchase $200 million of 2025 Federal Transferable Energy Tax Credits. This amount paid has been included in payments for income taxes, and the difference between tax credits purchased and amounts paid are included as a component of the income tax provision.

Non-Taxable Investment Income. The U.S. DRD reduces the amount of dividend income subject to U.S. tax and is included in the non-taxable investment income shown in the table above. More specifically, the U.S. DRD constitutes $54 million of the total $160 million of 2025 non-taxable investment income. The DRD for the current period was estimated using information from 2024, current year investment results, and current year's equity market performance. The actual current year DRD can vary based on factors such as, but not limited to, changes in the amount of dividends received that are eligible for the DRD, changes in the amount of distributions received from fund investments, changes in the account balances of variable life and annuity contracts, and the Company's taxable income before the DRD.

GILTI. The GILTI provision applies a minimum U.S. tax to earnings of consolidated foreign subsidiaries in excess of a 10% deemed return on tangible assets of foreign subsidiaries by imposing the U.S. tax rate to 50% of earnings of such foreign affiliates and provides for a partial foreign tax credit for foreign income taxes. In years that the PFI consolidated federal income tax return reports a net operating loss or has a loss attributable to U.S. sources of operations, including as a result of loss carrybacks, the GILTI provision would limit the amount of deductions or credits permissible against GILTI.

On July 20, 2020, the U.S. Treasury and the Internal Revenue Service issued Final Regulations (Treasury Decision 9902) pursuant to Internal Revenue Code Section 951A which allow an annual election to exclude from the U.S. tax return certain GILTI amounts when the taxes paid by a foreign affiliate exceed 18.9% (90% of U.S. statutory rate of 21%) of the GILTI amount for that foreign affiliate (the "high-tax exception"). These regulations are effective for the 2021 taxable year with an election to apply to any taxable year beginning after 2017. In many of the countries in which the Company operates, including Japan and Brazil, there are differences between local tax rules used to determine the tax base and the U.S. tax principles used to determine GILTI. Also, the Company's Japan affiliates have a different tax year than the U.S. calendar tax year used to determine GILTI. Therefore, while many of the countries, including Japan and Brazil, have a statutory tax rate above the 18.9% threshold, separate affiliates may not meet the 18.9% threshold each year and, as such, may not qualify for this annual exclusion. Primarily as result of these differences, the Company recorded a $48 million income tax expense in 2025. The Company anticipates making the high-tax exception election for the 2025 tax year for its foreign affiliates that meet the 18.9% threshold.

Changes in Tax Law. In December 2023, the Government of Bermuda enacted a corporate income tax, which imposes a 15% income tax, less applicable foreign tax credits, on companies that are organized or operate within Bermuda that are within the scope of the Organization of Economic Cooperation and Development ("OECD") Pillar Two rules. The Bermuda corporate income tax is effective for tax years beginning on January 1, 2025. The Company intends to make an election to exclude the income of a Bermuda entity that is a controlled foreign corporation within the meaning of the U.S. tax rules from the Bermuda corporate income tax for fiscal years ending prior to January 1, 2027. Certain changes enacted in 2025 to the Bermuda corporate income tax provide for both foreign tax credits for controlled foreign company regime taxes imposed in respect of the income of Bermuda entities which may be claimed against Bermuda income tax liability as well as certain other tax credits. In 2025, the Company recorded an adjustment of $318 million net tax charge as a Change in Tax Laws in Bermuda, which was entirely offset by a corresponding $318 million tax benefit reflected in the Effect of Cross-border Tax Laws. In connection with this change, the Company also decreased the local Bermuda DTA initially recorded in 2023 and the corresponding valuation allowance, which has also been reflected within the Change in Tax Laws in Bermuda.

H.R.1, also referred to as the "One Big Beautiful Bill Act" (the "Tax Act of 2025"), was enacted into law on July 4, 2025. The legislation introduces changes to the U.S. international tax regime, including a reduction in the Section 250 deduction for GILTI (now referred to as Net Controlled Foreign Corporation Tested Income ("NCTI")) from 50% to 40% beginning in 2026, resulting in an increase to the corporate tax rate on NCTI from 10.5% to 12.6%. The legislation also reduces the foreign tax credit limitation related to NCTI from 20% to 10% and makes changes to the related expense allocation. While the Company continues to evaluate the impact of the Tax Act of 2025 on its future consolidated financial statements and related disclosures, the Company does not anticipate that the provisions of the Tax Act of 2025 will have a material impact on its total tax positions in 2026 and forward.

In March 2025, Japan enacted a 4% Special Defense Corporation Tax, effective for tax years beginning on or after April 1, 2026, that raises the corporate income tax rate for the Company's Japan insurance companies from 28.00% to 28.93%. As a result, the Company recorded $37 million income tax expense in 2025 which is included in "other" under the foreign tax effects category for Japan.

In November 2025, Brazil enacted Law No. 15,270, effective January 1, 2026, which includes the introduction of a 10% withholding tax on dividends paid to non-residents. The withholding tax applies to dividends declared after December 31, 2025. As a result, a deferred tax expense of approximately $72 million is reflected as Change in Tax Law for Brazil for 2025.

Other reconciling items. This line item represents reconciling items that are individually less than 5% of the computed expected federal income tax expense (benefit) and have therefore been aggregated for purposes of this reconciliation in accordance with relevant disclosure guidance.

The differences between income taxes expected at the U.S. federal statutory income tax rate of 21% applicable for 2024 and 2023, and the reported income tax expense (benefit) are summarized as follows:

	Year Ended December 31,	
	2024	2023
	($ in millions)	
Expected federal income tax expense (benefit)	$ 674	$ 645
Non-taxable investment income	(168)	(162)
Foreign taxes at other than U.S. rate	189	191
Low-income housing and other tax credits	(94)	(106)
Changes in tax law	50	(99)
GILTI	(24)	5
Sale of subsidiary	(10)	0
Non-deductible expenses	39	29
Change in valuation allowance	(45)	111
State taxes (net of federal benefit)	26	20
Other	(130)	(21)
Reported income tax expense (benefit)	$ 507	$ 613
Effective tax rate	15.8 %	20.0 %

The following is a description of items that had a significant impact on the difference between the Company's statutory U.S. federal income tax rate of 21% applicable for 2024 and 2023, and the Company's effective tax rate during the periods presented:

Non-Taxable Investment Income. The DRD reduces the amount of dividend income subject to U.S. tax and is included in the non-taxable investment income shown in the table above. More specifically, the U.S. DRD constitutes $55 million of the total $168 million of 2024 non-taxable investment income, and $62 million of the total $162 million of 2023 non-taxable investment income. The DRD for both years was estimated using information from the prior year, the current year investment results, and the current year's equity market performance.

Foreign Taxes at Other Than U.S. Rates. The combined statutory income tax rate in the Company's largest non-U.S. tax jurisdiction is approximately 28%, plus local taxes in Japan as compared to the U.S. federal income tax rate of 21% applicable for 2024 and 2023.

Low-Income Housing and Other Tax Credits. These amounts include U.S. tax credits for Low-income Housing as well as foreign tax credits.

Changes in Tax Law. In December 2023, the Government of Bermuda enacted a corporate income tax, which imposes a 15% income tax, less applicable foreign tax credits, on companies that are organized or operate within Bermuda that are within the scope of the OECD Pillar Two rules. The Bermuda corporate income tax will be effective for tax years beginning on January 1, 2025. The Company intends to make an election to exclude the income of a Bermuda entity that is a controlled foreign corporation within the meaning of the U.S. tax rules from the Bermuda corporate income tax for fiscal years ending prior to January 1, 2027. In 2023, the Company reflected a $99 million net tax benefit as a result of the change in Bermuda tax law, which was entirely offset by a corresponding change in valuation allowance. In 2024, the Company recorded an adjustment of $50 million net tax expense, which was entirely offset by a corresponding change in valuation allowance.

GILTI. In 2024, the Company received IRS consent to change its tax accounting method for certain products in its Japan operations which resulted in a reduction of the 2022 GILTI tax liability. The Company made the high-tax exception election for the 2023 and 2024 tax years.

Other. This line item represents reconciling items that are individually less than 5% of the computed expected federal income tax expense (benefit) and have therefore been aggregated for purposes of this reconciliation in accordance with relevant disclosure guidance.

Schedule of Deferred Tax Assets and Deferred Tax Liabilities

	As of December 31,	
	2025	2024
	(in millions)	
Deferred tax assets:		
Net unrealized investment losses	$ 6,938	$ 6,987
Policyholders' dividends	171	55
Net operating and capital loss carryforwards	269	360
Employee benefits	360	271
Investments	2,862	2,448
Goodwill and other intangibles	287	313
Deferred tax assets before valuation allowance	10,887	10,434
Valuation allowance	(212)	(238)
Deferred tax assets after valuation allowance	10,675	10,196
Deferred tax liabilities:		
Insurance reserves	6,991	4,629
Deferred policy acquisition costs	3,951	3,851
Value of business acquired	142	147
Other	687	1,261
Deferred tax liabilities	11,771	9,888
Net deferred tax asset (liability)(1)	$ (1,096)	$ 308

(1) As of December 31, 2025, includes net deferred tax assets of $490 million and $0 million related to the Company's U.S. operations and Bermuda operations, respectively. As of December 31, 2024, includes net deferred tax assets of $840 million and $401 million related to the Company's U.S. operations and Bermuda operations, respectively.

The application of U.S. GAAP requires the Company to evaluate the recoverability of deferred tax assets and establish a valuation allowance if necessary to reduce the deferred tax asset to an amount that is more likely than not expected to be realized. Considerable judgment is required in determining whether a valuation allowance is necessary, and if so, the amount of such valuation allowance. In evaluating the need for a valuation allowance, the Company considers many factors, including: (1) the nature of the deferred tax assets and liabilities; (2) whether they are ordinary or capital; (3) in which tax jurisdictions they were generated and the timing of their reversal; (4) taxable income in prior carryback years as well as projected taxable earnings exclusive of reversing temporary differences and carryforwards; (5) the length of time that carryovers can be utilized in the various taxing jurisdictions; (6) any unique tax rules that would impact the utilization of the deferred tax assets; and (7) any tax planning strategies that the Company would employ to avoid a tax benefit from expiring unused. Although realization is not assured, management believes it is more likely than not that the deferred tax assets, net of valuation allowances, will be realized.

Changes in market conditions, including the significant rise in interest rates since the beginning of 2022, resulted in the recording of deferred tax assets related to net unrealized tax capital losses in the Company's U.S. businesses. When assessing recoverability of these deferred tax assets, the Company considers its ability and intent to hold the underlying securities to recovery in value, if necessary, as well as other factors as noted above. As of December 31, 2025, based on all available

evidence, the Company concluded that the deferred tax assets related to the unrealized tax capital losses on the available-for-sale and trading securities portfolios are, more likely than not, expected to be realized.

A valuation allowance has been recorded against deferred tax assets related to certain federal, state and local taxes and foreign operations. Adjustments to the valuation allowance are made to reflect changes in management's assessment of the amount of the deferred tax asset that is realizable and the amount of deferred tax asset actually realized during the year. The valuation allowance includes amounts recorded in connection with deferred tax assets as follows:

	Federal	State	Foreign Operations	Total
	(in millions)			
Balance at December 31, 2023	$ 25	$ 132	$ 133	$ 290
Charged to costs and expenses	(2)	0	7	5
Other adjustments	0	(4)	(53)	(57)
Balance at December 31, 2024	23	128	87	238
Charged to costs and expenses	(1)	4	16	19
Other adjustments	0	0	(45)	(45)
Balance at December 31, 2025	$ 22	$ 132	$ 58	$ 212

The following table sets forth the amount and expiration dates of federal, state and foreign operating, capital loss and tax credit carryforwards for tax purposes, as of the periods indicated:

	As of December 31,	
	2025	2024
	(in millions)	
Federal net operating and capital loss carryforwards	$ 0	$ 23
State net operating and capital loss carryforwards(1)	$ 1,993	$ 1,888
Foreign net operating and capital loss carryforwards(2)	$ 926	$ 907
Federal foreign tax credit carryforwards(3)	$ 16	$ 15

(1) Certain state net operating loss carryforwards expire between 2026 and 2045, whereas others have an unlimited carryforward.
(2) $349 million expires between 2026 and 2042 and $150 million has an unlimited carryforward.
(3) Expires between 2028 and 2035. These relate to foreign non-general basket tax credits.

Consistent with the U.S. Tax Cuts and Jobs Act of 2017 ("Tax Act of 2017"), the Company provides applicable U.S. income tax for all unremitted earnings of the Company's foreign affiliates. For certain foreign affiliates organized in withholding tax jurisdictions or that may be subject to other foreign country tax upon a remittance, the Company considers the unremitted foreign earnings of those affiliates to be indefinitely reinvested, and therefore does not provide for the withholding tax when calculating its current and deferred tax obligations. For certain other foreign affiliates organized in withholding tax jurisdictions or that may be subject to other foreign country tax upon a remittance, the Company does not consider unremitted earnings indefinitely reinvested, and therefore provides for foreign withholding tax when calculating its current and deferred tax obligations. The following table summarizes the Company's indefinite reinvestment assertions for jurisdictions in which the Company operates that impose a withholding tax on dividends that is not eliminated by a tax treaty or may be subject to other foreign country tax upon a remittance:

Unremitted earnings are indefinitely reinvested	**Unremitted earnings are not indefinitely reinvested**
Insurance operations in Chile and China and non-insurance operation in Korea.	Insurance operations in Argentina, Brazil, India, Indonesia, Ghana, Kenya, and South Africa, and non-insurance operations in China, India, Italy, France, and Luxembourg.

The Company no longer has a permanent reinvestment assertion related to earnings of affiliates in Italy, France, Germany, and Luxembourg. This change had no net impact to the Company's financial results. The Company made no changes with respect to its repatriation assumptions in 2023 and 2024.

The following table sets forth the undistributed earnings of foreign subsidiaries, where the Company assumes indefinite reinvestment of such earnings and for which, in 2025, 2024 and 2023, foreign deferred withholding or other foreign income taxes have not been provided. The net tax liability that may arise if the 2025 earnings were remitted which includes any foreign exchange impacts, is immaterial.

	At December 31,		
	2025	2024	2023
		(in millions)	
Undistributed earnings of foreign subsidiaries (assuming indefinite reinvestment only for Withholding or other non-U.S. Taxes)	$ 417	$ 351	$ 291

The Company's "Income (loss) before income taxes and equity in earnings of joint ventures and other operating entities" includes income (loss) from domestic operations of $2,184 million, $2,077 million and $1,341 million and income (loss) from foreign operations of $2,473 million, $1,132 million and $1,731 million for the years ended December 31, 2025, 2024 and 2023, respectively.

Income Taxes Paid

Income taxes paid during the year are disclosed in the table below and include tax installments made for the current year as well as tax payments and refunds related to prior periods.

	Year Ended December 31, 2025
	(in millions)
Federal (1)	$ 808
State	32
Foreign	558
Japan	423
Brazil	79
Other Foreign Jurisdictions	56
Total taxes paid, net of refunds	$ 1,398

(1) Includes $188 million refund related to prior years and $192 million paid for Transferable Energy tax credits..

Tax Audit and Unrecognized Tax Benefits

The Company's liability for income taxes includes the liability for unrecognized tax benefits and interest that relate to tax years still subject to review by the IRS or other taxing authorities. The completion of review or the expiration of the Federal statute of limitations for a given audit period could result in an adjustment to the liability for income taxes.

The following table reconciles the total amount of unrecognized tax benefits at the beginning and end of the periods indicated:

	2025	2024	2023
		(in millions)	
Balance at January 1,	$ 132	$ 133	$ 84
Increases in unrecognized tax benefits—prior years	1	4	13
(Decreases) in unrecognized tax benefits—prior years	(3)	(5)	0
Increases in unrecognized tax benefits—current year	0	0	36
(Decreases) in unrecognized tax benefits—current year	0	0	0
Settlements with taxing authorities	(5)	0	0
Balance at December 31,	$ 125	$ 132	$ 133
Unrecognized tax benefits that, if recognized, would favorably impact the effective rate	$ 125	$ 132	$ 133

The Company classifies all interest and penalties related to tax uncertainties as income tax expense (benefit). The amounts recognized in the consolidated financial statements for tax-related interest and penalties for the years ended December 31 are as follows:

	2025	2024	2023
		(in millions)	
Interest and penalties recognized in the Consolidated Statements of Operations	$ 1	$ 10	$ 7

	2025	2024
	(in millions)	
Interest and penalties recognized in liabilities in the Consolidated Statements of Financial Position	$ 33	$ 33

Listed below are the tax years that remain subject to examination, by major tax jurisdiction, as of December 31, 2025:

Major Tax Jurisdiction	Open Tax Years
United States	2014-2025
Japan	Fiscal years ended March 31, 2021-2025

The Company participates in the IRS's Compliance Assurance Program. Under this program, the IRS assigns an examination team to review completed transactions as they occur in order to reach agreement with the Company on how they should be reported in the relevant tax returns. If disagreements arise, accelerated resolutions programs are available to resolve the disagreements in a timely manner.

The U.S. federal tax law provides that an election may be made pursuant to Internal Revenue Code Section 952 (the "952 election") to subject earnings from certain insurance operations to tax in the U.S. in the tax year earned, net of related foreign tax credits. The Company made the 952 election effective for the 2017 and later tax years with respect to its affiliates incorporated in Brazil. In October 2019, the IRS issued a legal memorandum applicable to all taxpayers in which the IRS argues that the election became inoperable in 1998. The Company disagrees with the IRS's position. The Company and the IRS have not been able to resolve this disagreement through the IRS Independent Office of Appeals. The Company is considering all of its options for a resolution of the matter.

Some of the Company's affiliates in Japan file a consolidated tax return, while others file separate tax returns. The Company's affiliates in Japan are subject to audits by the local taxing authority. The general statute of limitations is five years from when the return is filed. During 2023, the Japanese National Tax Service concluded tax audits of The Gibraltar Life Insurance Company, Ltd. ("Gibraltar Life") for the three tax years ending March 31, 2022 and The Prudential Gibraltar Financial Life Insurance Company, Ltd. ("PGFL") for the four tax years ending March 31, 2022. The tax authority also conducted tax audits of some non-insurance companies during the reporting period. The audits had no material impact on the Company's results.

In August 2020, the Company sold an affiliate in South Korea, Prudential of Korea, that was subject to routine tax audits by the local taxing authority for 2017, 2016, and 2015 tax years. In November 2023, the disputed issue on the treatment of foreign tax credits was decided in favor of Prudential of Korea at the Tax Tribunal appeal and therefore had no material impact on the Company's results.

18. SHORT-TERM AND LONG-TERM DEBT

Short-term Debt

The table below presents the Company's short-term debt at December 31, for the years indicated as follows:

	2025	2024
	($ in millions)	
Commercial paper:		
Prudential Financial	$ 25	$ 25
Prudential Funding, LLC	849	496
Subtotal commercial paper	874	521
Current portion of long-term debt:		
Senior Notes	536	0
Surplus Notes	0	347
Mortgage Debt	33	85
Subtotal Current portion of long-term debt	569	432
Subtotal	1,443	953
Less: Assets under set-off arrangements	0	0
Total short-term debt(1)	$ 1,443	$ 953
Supplemental short-term debt information:		
Portion of commercial paper borrowings due overnight	$ 175	$ 310
Daily average commercial paper outstanding for the quarter ended	$ 2,389	$ 1,823
Weighted average maturity of outstanding commercial paper, in days	11	15
Weighted average interest rate on outstanding commercial paper	3.72 %	4.61 %

(1) Includes Prudential Financial debt of $561 million and $25 million as of December 31, 2025 and 2024, respectively.

At December 31, 2025 and 2024, the Company was in compliance with all covenants related to the above debt.

Commercial Paper

Prudential Financial has a commercial paper program with an authorized capacity of $3.0 billion. Prudential Financial's commercial paper borrowings have generally been used to fund the working capital needs of its subsidiaries and provide short-term liquidity at Prudential Financial.

Prudential Funding, LLC ("Prudential Funding"), a wholly-owned subsidiary of PICA, has a commercial paper program, with an authorized capacity of $7.0 billion. Prudential Funding commercial paper borrowings generally have served as an additional source of financing to meet the working capital needs of PICA and its subsidiaries. Prudential Funding also lends to other subsidiaries of Prudential Financial up to limits agreed with the NJDOBI. Prudential Funding maintains a support agreement with PICA whereby PICA has agreed to maintain Prudential Funding's tangible net worth at a positive level. Additionally, Prudential Financial has issued a subordinated guarantee covering Prudential Funding's $7.0 billion commercial paper program.

Federal Home Loan Bank of New York

PICA is a member of the FHLBNY. Membership allows PICA access to the FHLBNY's financial services, including the ability to obtain collateralized loans and to issue collateralized funding agreements. Under applicable law, the funding agreements issued to the FHLBNY have priority claim status above debt holders of PICA. FHLBNY borrowings and funding agreements are collateralized by qualifying mortgage-related assets or U.S. Treasury securities, the fair value of which must be maintained at certain specified levels relative to outstanding borrowings. FHLBNY membership requires PICA to own member stock and borrowings require the purchase of activity-based stock in an amount equal to 4.5% of outstanding borrowings. Under FHLBNY guidelines, if any of PICA's financial strength ratings decline below A-/A3/A- Negative by S&P/Moody's/Fitch, respectively, and the FHLBNY does not receive written assurances from the NJDOBI regarding PICA's solvency, new borrowings from the FHLBNY would be limited to a term of 90 days or less. Currently there are no restrictions on the term of borrowings from the FHLBNY. All FHLBNY stock purchased by PICA is classified as restricted general account investments within "Other invested assets," and the carrying value of these investments was $141 million and $142 million as of December 31, 2025 and 2024, respectively.

NJDOBI permits PICA to pledge collateral to the FHLBNY in an amount of up to 5% of its prior year-end statutory net admitted assets, excluding separate account assets. Based on PICA's statutory net admitted assets as of December 31, 2024, the 5% limitation equates to a maximum amount of eligible assets of $7.5 billion and an estimated maximum borrowing capacity (after taking into account required collateralization levels) of $6.0 billion. Nevertheless, FHLBNY borrowings are subject to the FHLBNY's discretion and to the availability of qualifying assets at PICA.

As of December 31, 2025, $2.5 billion of funding agreements remain outstanding under this facility, with maturities ranging from February 2027 to November 2029 and rates ranging from 1.925% to 4.510%. These funding agreements are reflected as "Policyholders' account balances" on the Consolidated Statements of Financial Position and as such are not included in the table above.

Federal Agricultural Mortgage Corporation

In September 2023, as an additional source of liquidity, the Company entered into an agreement with the Federal Agricultural Mortgage Corporation ("Farmer Mac"), under which the Company can borrow up to $750 million by issuing funding agreements to a subsidiary of Farmer Mac, with borrowings secured by a pledge of certain eligible agricultural property loans. At December 31, 2025, no amounts were drawn from this facility.

Credit Facilities

As of December 31, 2025, the Company maintained syndicated, unsecured committed credit facilities as described below.

Borrower	Original Term	Expiration Date	Capacity	Amount Outstanding
			(in millions)	
Prudential Financial and Prudential Funding	5 years	Jul-29	$ 4,000	$ 0
Prudential Holdings of Japan, Inc.	5 years	Sep-29	¥ 100,000	¥ 0

In July 2024, the Company amended and restated its $4.0 billion five-year credit facility that has both Prudential Financial and Prudential Funding as borrowers and a syndicate of financial institutions as lenders, extending the term of the facility to July 2029. The credit facility contains customary representations and warranties, covenants and events of default, and borrowings are not contingent on the borrowers' credit ratings nor subject to material adverse change clauses. Borrowings under this facility are conditioned on the continued satisfaction of customary conditions, including Prudential Financial's maintenance of consolidated net worth of at least $22.1 billion. For these purposes, consolidated net worth is calculated as U.S. GAAP equity excluding AOCI, equity of noncontrolling interests, equity attributable to the Closed Block, and certain adjustments related to the Company's adoption of Targeted Improvements to the Accounting for Long-Duration Contracts ("ASU 2018-12") in the first quarter of 2023. The Company expects that it may borrow under the facility from time to time to fund its working capital needs. In addition, amounts under this credit facility may be drawn in the form of standby letters of credit that can be used to meet the Company's operating needs.

In September 2024, the Company refinanced its ¥100 billion five-year credit facility, on which Prudential Holdings of Japan, Inc. ("PHJ") is a borrower, extending the term of the facility to September 2029. This facility also contains customary representations and warranties, covenants, and events of default and borrowings are not contingent on the borrower's credit ratings nor subject to material adverse change clauses.

Borrowings under each of these credit facilities may be used for general corporate purposes. As of December 31, 2025, the Company was in compliance with the covenants under each of these credit facilities.

In addition to the above credit facilities, the Company had access to $313 million of certain other lines of credit at December 31, 2025, of which $100 million was for the sole use of certain real estate separate accounts. The separate account facilities include loan-to-value ratio requirements and other financial covenants, and recourse on obligations under these facilities is limited to the assets of the applicable separate account. At December 31, 2025, $42 million of these credit facilities were used. The Company also has access to uncommitted lines of credit from financial institutions.

Agreements for Senior Notes Issuance

In May 2020, Prudential Financial entered into a ten-year facility agreement with a Delaware trust upon the completion of the sale of $1.5 billion of trust securities by that Delaware trust in a Rule 144A private placement. The trust invested the proceeds from the sale of the trust securities in a portfolio of principal and/or interest strips of U.S. Treasury securities. The facility agreement provides Prudential Financial the right to issue and sell to the trust from time to time up to $1.5 billion of 2.850% senior notes due May 15, 2030 and receive in exchange a corresponding amount of the U.S. Treasury securities held by the trust. In return, the Company agreed to pay a semi-annual facility fee to the trust at a rate of 2.175% per annum applied to the maximum amount of senior notes that the Company could issue and sell to the trust. Similar to the Company's put option agreement, the facility agreement with the trust provides Prudential Financial with a source of liquid assets.

The right to issue senior notes described above will be exercised automatically in full upon the Company's failure to make certain payments to the trust, such as paying the facility fee or reimbursing the trust for its expenses, if the Company's failure to pay is not cured within 30 days, and upon an event involving its bankruptcy. The Company is also required to exercise this issuance right if its consolidated stockholders' equity, calculated in accordance with U.S. GAAP but excluding AOCI, falls below $9.0 billion, subject to adjustment in certain cases. Prior to any involuntary exercise of the issuance right, the Company has the right to repurchase any of its senior notes then held by the trust in exchange for a corresponding amount of U.S. Treasury securities. Finally, Prudential Financial may redeem any outstanding senior notes, in whole or in part, prior to February 15, 2030, at a redemption price equal to the greater of par or a make-whole price, or thereafter, at par.

In March 2023, Prudential Financial entered into ten-year and thirty-year facility agreements with two Delaware trusts upon the completion of the sale of $1.5 billion of trust securities by the trusts in a Rule 144A private placement. The trusts invested the proceeds from the sale of the trust securities in portfolios of principal and/or interest strips of U.S. Treasury securities. The facility agreements provide Prudential Financial the right to issue and sell to the trusts from time to time up to $800 million of 5.791% senior notes due February 15, 2033 and $700 million of 5.997% senior notes due February 15, 2053, and receive in exchange a corresponding amount of the U.S. Treasury securities held by the trusts. In return, the Company agreed to pay semi-annual facility fees to the trusts at rates of 1.815% and 2.066% per annum for the ten-year and thirty-year facilities, respectively, applied to the maximum amount of senior notes that the Company could issue and sell to the trusts.

The right to issue senior notes described above will be exercised automatically in full upon the Company's failure to make certain payments to the trusts, such as paying the facility fee or reimbursing the trusts for their expenses, if the Company's failure to pay is not cured within 30 days, and upon an event involving its bankruptcy. The Company is also required to exercise this issuance right if its consolidated stockholders' equity, calculated in accordance with U.S. GAAP but excluding AOCI, falls below $9.0 billion, subject to adjustment in certain cases. Prior to any involuntary exercise of the issuance right, the Company has the right to repurchase any of its senior notes then held by the trusts in exchange for a corresponding amount of U.S. Treasury securities. Finally, Prudential Financial may redeem any outstanding senior notes, in whole or in part, prior to February 15, 2033 and February 15, 2053 for the ten-year and thirty-year facilities, respectively, at a redemption price equal to the greater of par or a make-whole price, or thereafter, at par.

Long-term Debt

The table below presents the Company's long-term debt at December 31, for the years indicated as follows:

	Maturity Dates	Rate(1)	December 31, 2025	December 31, 2024
			($ in millions)	
Fixed-rate notes:				
Surplus Notes			$ 0	$ 0
Surplus Notes subject to set-off arrangements(2)	2035-2049	3.66%-5.48%	15,744	14,748
Senior Notes	2026-2051	1.50%-6.63%	10,823	10,245
Mortgage Debt(3)	2029-2034	1.28%-2.21%	134	69
Floating-rate notes:				
Line of Credit	2027	5.62%-5.98%	255	255
Mortgage Debt(3)	2029-2031	0.95%-1.74%	49	31
Junior Subordinated Notes(4)	2045-2062	1.72%-6.75%	7,595	8,587
Subtotal			34,600	33,935
Less: Assets under set-off arrangements(5)			15,744	14,748
Total long-term debt(6)			$ 18,856	$ 19,187

(1) Ranges of interest rates are for the year ended December 31, 2025.
(2) Amount includes $7.6 billion of surplus notes used to finance Guideline AXXX reserves for business reinsured to Somerset Re in March 2024. See Note 15 for additional information.
(3) Includes $184 million and $100 million of debt denominated in foreign currency at December 31, 2025 and 2024, respectively.
(4) Includes Prudential Financial debt of $7,555 million and subsidiary debt of $40 million denominated in foreign currency at December 31, 2025.
(5) Assets under set-off arrangements represent a reduction in the amount of surplus notes included in long-term debt, resulting from an arrangement where valid rights of set-off exist and it is the intent of both parties to settle on a net basis under legally enforceable arrangements. These assets include available-for-sale securities that are reported at fair value.
(6) Includes Prudential Financial debt of $18,378 million and $18,793 million at December 31, 2025 and 2024, respectively.

At December 31, 2025 and 2024, the Company was in compliance with all debt covenants related to the borrowings in the table above.

The following table presents the contractual maturities of the Company's long-term debt as of December 31, 2025:

	Calendar Year					
	2027	2028	2029	2030	2031 and thereafter	Total
	(in millions)					
Long-term debt	$ 63	$ 667	$ 95	$ 750	$ 17,281	$ 18,856

Senior Notes

Under its shelf registration statement, the Company has issued Medium-Term Notes and InterNotes® Retail Notes. In addition, the Company completed a debt exchange offer in 2017, pursuant to which it issued two series of Senior Notes.

The table below presents the Company's balances related to these issuances, as well as its mortgage debt balance, as of December 31 for the years indicated as follows:

Facility Name	Maturity Date Range	2025 Amount Outstanding	2024 Amount Outstanding
		(in millions)	
Medium-Term Notes(1)	2026-2051	$ 9,130	$ 8,382
Senior Notes	2047-2049	1,502	1,493
InterNotes® Retail Notes(1)	2026-2045	727	370
Mortgage Debt(1)	2026-2034	217	185
Total		$ 11,576	$ 10,430

(1) Includes $569 million of notes from current portion of long-term debt as of December 31, 2025.

The weighted average interest rate on outstanding Medium-Term Notes, Senior Notes, and InterNotes® Retail Notes, including the effect of interest rate hedging activity, was 4.48% and 4.43% for the years ended December 31, 2025 and 2024, respectively, excluding the effect of debt issued to consolidated subsidiaries.

Funding Agreement-Backed Notes and Commercial Paper Programs

The Company maintains FABN and FACP programs in which statutory trusts issue medium-term notes and commercial paper secured by funding agreements issued to the trusts by PICA. These obligations are included in "Policyholders' account balances" and not included in the foregoing table. See Note 13 for further discussion of these obligations.

Surplus Notes

Fixed-rate surplus notes are subordinated to other PICA borrowings and policyholder obligations, and the payment of interest and principal may only be made with the prior approval of the NJDOBI. The NJDOBI could prohibit the payment of the interest and principal on the surplus notes if certain statutory capital requirements are not met. As of December 31, 2025 and 2024, PICA had $0 million and $347 million of fixed-rate surplus notes outstanding, respectively. The surplus notes that were outstanding at December 31, 2024, met the statutory capital requirements mentioned above and, based on their July 2025 maturity date, were reclassified to short-term debt.

Surplus Notes with Set-Off Arrangements

Agreement Start Date	Maturity Years	Maximum Borrowing Capacity	2025 Amount Outstanding	2024 Amount Outstanding
		($ in millions)		
Regulation XXX				
2024	2044	$ 8,000	$ 7,660	$ 7,560
Guideline AXXX				
2024(1)	2049	9,500	7,584	6,888
Other Notes				
2019	2035	4,000	500	300
Total		$ 21,500	$ 15,744	$ 14,748

(1) Amount includes $7.6 billion of surplus notes used to finance Guideline AXXX reserves for business reinsured to Somerset Re in March 2024. See Note 15 for additional information.

Surplus Notes Supporting Regulation XXX and Guideline AXXX Reserves

As shown in the table above, the Company's captive reinsurance subsidiaries maintain facilities with external counterparties providing for the issuance of surplus notes by the captive to finance reserves required under Regulation XXX and Guideline AXXX. Under these facilities, the captives receive in exchange for the surplus notes one or more credit-linked notes issued by special-purpose affiliates in aggregate principal amounts equal to the surplus notes issued. The captives hold the credit-linked notes as assets supporting the non-economic portion of the statutory reserves required to be held by the Company's domestic insurance subsidiaries under Regulation XXX and Guideline AXXX in connection with the reinsurance of term life or universal life insurance policies through the captive. The non-economic portion of the statutory reserve equals the difference between the statutory reserve required under Regulation XXX and Guideline AXXX and the amount the Company considers necessary to maintain solvency for moderately adverse experience. The credit-linked notes are redeemable for cash upon the occurrence of a liquidity stress event affecting the captives and external counterparties have agreed to fund these payments in return for a fee. Under certain of these different transactions, Prudential Financial has agreed to reimburse the captive for investment losses in excess of specified amounts.

For each of the above transactions, because valid rights of set-off exist, interest and principal payments on the surplus notes and on the related credit-linked notes are settled on a net basis, and the surplus notes are reflected in the Company's total consolidated borrowings on a net basis. The surplus notes for the captive reinsurance subsidiaries described above are subordinated to policyholder obligations, and the repayment of principal may only be made with prior approval of the Arizona Department of Insurance and Financial Institutions, the domiciliary insurance regulator of the captives. The payment of interest

on the surplus notes has been approved by the Arizona Department of Insurance and Financial Institutions, subject to its ability to withdraw that approval.

Other Surplus Notes

The surplus note facility listed under "Other Notes" in the table above reflects a financing facility that Prudential Legacy Insurance Company of New Jersey ("PLIC") has entered into with certain external counterparties and a special-purpose affiliate, pursuant to which PLIC may, at its option, issue and sell to the affiliate up to $4.0 billion in aggregate principal amount of surplus notes, in return for an equal principal amount of credit-linked notes. The credit-linked notes are redeemable for cash upon the occurrence of a liquidity stress event affecting PLIC, and external counterparties have agreed to fund these payments in return for a fee. Upon issuance, PLIC would hold any credit-linked notes as assets to support future statutory surplus needs within PLIC.

In December 2025, the Company entered into an agreement with an external counterparty that allows for the issuance by PICA of up to $500 million in principal amount of surplus notes in return for a corresponding amount of credit-linked notes issued by a special-purpose wholly owned subsidiary of the Company. As of December 31, 2025, $287 million in principal amount of these surplus notes and credit-linked notes were outstanding. The surplus notes and credit-linked notes eliminate upon consolidation and are not reflected in the Company's financial statements.

PICA holds these credit-linked notes as assets supporting statutory requirements and can redeem the principal amount of these outstanding credit-linked notes for cash upon the occurrence of specified liquidity stress events affecting PICA. Under the agreement, the external counterparty has agreed to fund any such payments under these credit-linked notes in return for the receipt of fees. To date, no such payments under these credit-linked notes have been required.

Junior Subordinated Notes

Prudential Financial's junior subordinated notes outstanding are considered hybrid securities that receive enhanced equity treatment from the rating agencies. These notes outstanding, along with their key terms, are as follows:

Issue Date	Principal Amount	Initial Interest Rate	Investor Type	Optional Redemption Date	Interest Rate Subsequent to Optional Redemption Date	Maturity Date
	($ in millions)					
Sep-17	$ 750	4.50 %	Institutional	9/15/2027	4.50%	9/15/2047
Aug-18	$ 565	5.63 %	Retail	8/15/2023	5.63%	8/15/2058
Sep-18	$ 1,000	5.70 %	Institutional	9/15/2028	SOFR + 2.93%	9/15/2048
Aug-20	$ 500	4.13 %	Retail	9/1/2025	4.13%	9/1/2060
Aug-20	$ 800	3.70 %	Institutional	10/1/2030	US Treasury + 3.04%	10/1/2050
Feb-22	$ 1,000	5.13 %	Institutional	2/28/2032	US Treasury + 3.16%	3/1/2052
Aug-22	$ 300	5.95 %	Retail	9/1/2027	5.95%	9/1/2062
Aug-22	$ 1,200	6.00 %	Institutional	9/1/2032	US Treasury + 3.23%	9/1/2052
Feb-23	$ 500	6.75 %	Institutional	3/1/2033	US Treasury + 2.85%	3/1/2053
Mar-24	$ 1,000	6.50 %	Institutional	3/15/2034	US Treasury + 2.40%	3/15/2054

The Company has the right to defer interest payments on these notes for specified periods, typically 5 to 10 years without resulting in a default, during which time interest will be compounded. On or after the optional redemption dates, Prudential Financial may redeem the notes at par plus accrued and unpaid interest. Prior to those optional redemption dates, redemptions generally are subject to a make-whole price; however, the Company may redeem the notes prior to these dates at par upon the occurrence of certain events, such as a future change in the regulatory capital treatment of the notes with respect to the Company.

Interest Expense

In order to manage exposure to interest rate and currency exchange rate movements, the Company utilizes derivative instruments, primarily interest rate swaps, in conjunction with some of its debt issuances. The impact of these derivative instruments is not reflected in the rates presented in the tables above. For those derivative instruments that qualify for hedge accounting, interest expense was $0 million for the years ended December 31, 2025, 2024 and 2023. See Note 5 for additional information regarding the Company's use of derivative instruments.

Interest expense for short-term and long-term debt was $1,967 million, $1,956 million and $1,749 million for the years ended December 31, 2025, 2024 and 2023, respectively.

19. EMPLOYEE BENEFIT PLANS

Pension and Other Postretirement Plans

The Company has funded and non-funded non-contributory defined benefit pension plans ("Pension Benefits"), which cover substantially all of its employees. For some employees, benefits are based on final average earnings and length of service (the "traditional formula"), while benefits for other employees are based on an account balance that takes into consideration age, length of service and earnings during their career (the "cash balance formula"). At December 31, 2025, approximately 81% of the Company's Pension Benefits relate to its domestic qualified pension plan, which initially determined benefits based on the traditional formula. Effective January 1, 2001, active domestic employees covered under this plan were given the option to convert from the traditional formula to the cash balance formula, and all new domestic employees began accruing benefits under the cash balance formula. As of December 31, 2025, approximately 64% and 36% of the benefit obligation under this plan relates to participants under the traditional formula (including all retirees who are receiving an annuity payment) and cash balance formula, respectively. At December 31, 2025, the vast majority of active employees under this plan are accruing benefits under the cash balance formula.

The Company provides certain health care and life insurance benefits for its retired employees, their beneficiaries and covered dependents ("Other Postretirement Benefits"). The health care plan is contributory; the life insurance plan is non-contributory. Substantially all of the Company's U.S. employees are eligible to receive Other Postretirement Benefits if they retire after age 55 with at least 10 years of service or under certain circumstances after age 50 with at least 20 years of continuous service.

Prepaid benefits costs and accrued benefit liabilities are included in "Other assets" and "Other liabilities," respectively, in the Company's Consolidated Statements of Financial Position. The status of these plans as of December 31, 2025 and 2024 is summarized below:

	Pension Benefits		Other Postretirement Benefits	
	2025	2024	2025	2024
	(in millions)			
Change in benefit obligation				
Benefit obligation at the beginning of period	$ (10,629)	$ (11,238)	$ (1,026)	$ (1,032)
Service cost	(187)	(206)	(6)	(7)
Interest cost	(565)	(539)	(55)	(51)
Plan participants' contributions	0	0	(18)	(21)
Amendments	(6)	0	0	0
Actuarial gains (losses), net(1)(2)	(333)	360	(42)	(29)
Settlements	58	62	0	0
Special termination benefits	0	(1)	0	0
Benefits paid	872	823	110	113
Acquisition/Divestiture	1	0	0	0
Foreign currency changes and other	(15)	110	(1)	1
Benefit obligation at end of period	$ (10,804)	$ (10,629)	$ (1,038)	$ (1,026)
Change in plan assets				
Plan assets at beginning of period	$ 12,293	$ 12,649	$ 1,187	$ 1,186
Actual return on plan assets	944	366	136	88
Employer contributions	168	177	8	5
Plan participants' contributions	0	0	18	21
Disbursement for settlements	(58)	(62)	0	0
Benefits paid	(872)	(823)	(110)	(113)
Acquisition/Divestiture	(1)	0	0	0
Foreign currency changes and other	16	(14)	0	0
Plan assets at end of period	$ 12,490	$ 12,293	$ 1,239	$ 1,187
Funded status at end of period	$ 1,686	$ 1,664	$ 201	$ 161
Amounts recognized in the Statements of Financial Position				
Prepaid benefit cost	$ 3,503	$ 3,451	$ 282	$ 232
Accrued benefit liability	(1,817)	(1,787)	(81)	(71)
Net amount recognized	$ 1,686	$ 1,664	$ 201	$ 161
Items recorded in "Accumulated other comprehensive income (loss)" not yet recognized as a component of net periodic (benefit) cost:				
Prior service cost	$ 6	$ (1)	$ (211)	$ (278)
Net actuarial loss	3,228	2,924	186	218
Net amount not recognized	$ 3,234	$ 2,923	$ (25)	$ (60)
Accumulated benefit obligation	$ (9,973)	$ (9,925)	$ (1,038)	$ (1,026)

(1) For 2025, actuarial losses for pension and other postretirement benefits were primarily driven by a decrease in the discount rate.
(2) For 2024, actuarial gains for pension were primarily driven by an increase in the discount rate. For 2024, actuarial losses for other postretirement benefits were primarily driven by an increase in medical trend rate.

In addition to the plan assets above, the Company in 2007 established an irrevocable trust, commonly referred to as a "rabbi trust," for the purpose of holding assets of the Company to be used to satisfy its obligations with respect to certain non-qualified retirement plans ($949 million and $861 million benefit obligation at December 31, 2025 and 2024, respectively). Assets held in the rabbi trust are available to the general creditors of the Company in the event of insolvency or bankruptcy. The Company may from time to time in its discretion make contributions to the trust to fund accrued benefits payable to participants in one or more of the plans, and, in the case of a change in control of the Company, as defined in the trust agreement, the Company will be required to make contributions to the trust to fund the accrued benefits, vested and unvested, payable on a pre-tax basis to participants in the plans. In addition, the Company may from time to time at its discretion make a withdrawal from or request a policy loan through the trust to fund operational or capital needs. The Company did not request

policy loans through the trust in 2025 and 2024. The Company did not make any discretionary payments to the trust or receive any withdrawals from the trust in either 2025 or 2024. As of December 31, 2025 and 2024, the assets in the trust had a carrying value of $199 million and $157 million, respectively.

The Company also maintains a separate rabbi trust for the purpose of holding assets of the Company to be used to satisfy its obligations with respect to certain other non-qualified retirement plans ($47 million and $51 million benefit obligation at December 31, 2025 and 2024, respectively), as well as certain cash-based deferred compensation arrangements. As of December 31, 2025 and 2024, the assets in the trust had a carrying value of $68 million and $75 million, respectively.

Pension benefits for foreign plans comprised 9% and 10% of the ending benefit obligation for 2025 and 2024, respectively. Foreign pension plans comprised 3% of the ending fair value of plan assets for both 2025 and 2024. There are no material foreign postretirement plans.

Information for pension plans with a projected benefit obligation in excess of plan assets

	2025	2024
	(in millions)	
Projected benefit obligation	$ 1,817	$ 1,787
Fair value of plan assets	$ 0	$ 0

Information for pension plans with an accumulated benefit obligation in excess of plan assets

	2025	2024
	(in millions)	
Accumulated benefit obligation	$ 1,617	$ 1,625
Fair value of plan assets	$ 0	$ 0

Components of Net Periodic Benefit Cost

The Company uses market related value to determine components of net periodic (benefit) cost. Market related value recognizes certain changes in fair value of plan assets over a period of five years. Changes in the fair value of U.S. equities, international equities, real estate and other assets are recognized over a five year period. However, changes in the fair value for fixed maturity assets (including short-term investments) are recognized immediately for the purposes of market related value.

Net periodic (benefit) cost included in "General and administrative expenses" in the Company's Consolidated Statements of Operations for the years ended December 31, includes the following components:

	Pension Benefits			Other Postretirement Benefits		
	2025	2024	2023	2025	2024	2023
	(in millions)					
Service cost	$ 187	$ 206	$ 204	$ 6	$ 7	$ 9
Interest cost	565	539	551	55	51	71
Expected return on plan assets	(996)	(953)	(926)	(73)	(76)	(86)
Amortization of prior service cost	(1)	(1)	(1)	(67)	(67)	(7)
Amortization of actuarial (gain) loss, net	84	90	69	10	8	10
Settlements	(3)	1	3	0	0	0
Special termination benefits(1)(2)	0	1	25	0	0	5
Net periodic (benefit) cost	$ (164)	$ (117)	$ (75)	$ (69)	$ (77)	$ 2

(1) For 2025 and 2024, certain employees were provided special termination benefits under non-qualified plans in the form of unreduced early retirement benefits as a result of their involuntary termination.

(2) For 2023, certain employees were provided special termination benefits under non-qualified plans in the form of unreduced early retirement benefits as a result of their involuntary termination while others were provided enhanced benefits due to the Company's organizational restructuring.

Changes in Accumulated Other Comprehensive Income (Loss)

The benefit obligation is based upon actuarial assumptions such as discount, termination, retirement, mortality and salary growth rates. Changes at year-end in these actuarial assumptions, along with experience changes based on updated participant census data are deferred in AOCI. Plan assets generate actuarial gains and losses when actual returns on plan assets differ from expected returns on plan assets, and these differences are also deferred in AOCI. The cumulative deferred gain (loss) within AOCI is amortized into earnings if it exceeds 10% of the greater of the benefit obligation or plan assets at the beginning of the year, and the amortization period is based upon the actuarially calculated expected future years of service for a given plan.

The amounts recorded in AOCI as of the end of the period, which have not yet been recognized as a component of net periodic (benefit) cost, and the related changes in these items during the period that are recognized in "Other comprehensive income (loss)" are as follows:

	Pension Benefits		Other Postretirement Benefits	
	Prior Service Cost	Net Actuarial (Gain) Loss	Prior Service Cost	Net Actuarial (Gain) Loss
	(in millions)			
Balance, December 31, 2022	$ (2)	$ 2,466	$ (54)	$ 222
Amortization for the period	1	(69)	7	(10)
Deferrals for the period(1)	(2)	411	(298)	(3)
Impact of foreign currency changes and other	1	(11)	0	0
Balance, December 31, 2023	(2)	2,797	(345)	209
Amortization for the period	1	(90)	67	(8)
Deferrals for the period(2)	0	227	0	17
Impact of foreign currency changes and other	0	(10)	0	0
Balance, December 31, 2024	(1)	2,924	(278)	218
Amortization for the period	1	(84)	67	(10)
Deferrals for the period(3)	6	385	0	(21)
Impact of foreign currency changes and other	0	3	0	(1)
Balance, December 31, 2025	$ 6	$ 3,228	$ (211)	$ 186

(1) For 2023, deferred losses for pension were driven by a decrease in discount rate and unfavorable asset performance. Deferred gains for other postretirement benefits were driven by a change to the Retiree Medical Plan, decrease in discount rate and favorable asset performance.

(2) For 2024, deferred losses for pension were driven by unfavorable asset performance offset by an increase in discount rate. Deferred losses for other postretirement benefits were driven by an increase in medical trend experience offset by an increase in discount rate and favorable asset performance.

(3) For 2025, deferred losses for pension were driven by a decrease in discount rate and unfavorable asset performance. Deferred gains for other postretirement benefits were driven by favorable asset performance offset by a decrease in discount rate.

The Company's assumptions related to the calculation of the domestic benefit obligation (end of period) and the determination of net periodic (benefit) cost (beginning of period) are presented in the table below:

	Pension Benefits			Other Postretirement Benefits		
	2025	2024	2023	2025	2024	2023
Weighted average assumptions						
Discount rate (beginning of period)	5.85 %	5.30 %	5.45 %	5.70 %	5.20 %	5.55 %
Discount rate (end of period)	5.55 %	5.85 %	5.30 %	5.25 %	5.70 %	5.20 %
Rate of increase in compensation levels (beginning of period)	6.25 %	6.25 %	4.50 %	N/A	N/A	N/A
Rate of increase in compensation levels (end of period)	6.25 %	6.25 %	6.25 %	N/A	N/A	N/A
Expected return on plan assets (beginning of period)	8.00 %	7.50 %	7.50 %	6.50 %	6.75 %	7.75 %
Interest crediting rate (beginning of period)	4.35 %	4.95 %	4.25 %	N/A	N/A	N/A
Interest crediting rate (end of period)	4.85 %	4.35 %	4.95 %	N/A	N/A	N/A
Health care cost trend rates (beginning of period)	N/A	N/A	N/A	7.90 %	7.35 %	6.50 %
Health care cost trend rates (end of period)	N/A	N/A	N/A	8.00 %	7.90 %	7.35 %
For 2025, 2024 and 2023, the ultimate health care cost trend rate after gradual decrease until: 2035, 2034, 2030, (beginning of period)	N/A	N/A	N/A	4.75 %	4.75 %	4.75 %
For 2025, 2024 and 2023, the ultimate health care cost trend rate after gradual decrease until: 2036, 2035, 2034 (end of period)	N/A	N/A	N/A	4.75 %	4.75 %	4.75 %

The domestic discount rate used to value the pension and postretirement obligations at December 31, 2025 and December 31, 2024 is based upon the value of a portfolio of Aa-rated investments whose cash flows would be available to pay the benefit obligation's cash flows when due. The December 31, 2025 portfolio is selected from a compilation of approximately 980 Aa-rated bonds across the full range of maturities. Since bond ratings and yields can vary widely at each maturity point, the Company uses an average bond rating and excludes bonds with unusually high or low yields, so as to avoid relying on bonds that might be mispriced or misrated. The Aa-rated portfolio is then selected and, accordingly, its value is a measure of the benefit obligation. A single equivalent discount rate is calculated to equate the value of the Aa-rated portfolio to the cash flows for the benefit obligation. The result is rounded to the nearest 5 basis points and the benefit obligation is recalculated using the rounded discount rate.

The pension and postretirement expected long-term rates of return on plan assets for 2025 were determined based upon an approach that considered the allocation of plan assets as of December 31, 2024. Expected returns are estimated by asset class as noted in the discussion of investment policies and strategies below. Expected returns on asset classes are developed using a building-block approach that is forward looking and are not strictly based upon historical returns. The building blocks for equity returns include inflation, real return, a term premium, an equity risk premium, capital appreciation, expenses, the effect of active management and the effect of rebalancing. The building blocks for fixed maturity returns include inflation, real return, a term premium, credit spread, capital appreciation, effect of active management, expenses and the effect of rebalancing.

The Company applied a similar approach to the determination of the expected rate of return on plan assets in 2026. The expected rate of return for 2026 is 7.75% and 6.25% for pension and postretirement, respectively.

The assumptions for foreign pension plans are based on local markets. There are no material foreign postretirement plans.

Plan Assets

The investment goal of the domestic pension plan is to generate an above benchmark return on a diversified portfolio of stocks, bonds and other investments. The cash requirements of the plan's pension obligation, which include a traditional defined benefit formula principally representing payments to annuitants and a cash balance formula that allows lump sum payments and annuity payments, are designed to be met by the bonds and short-term investments in the portfolio.

The investment goal of the domestic postretirement plan assets is to generate an above benchmark return on a diversified portfolio of stocks, bonds, and other investments, while meeting the cash requirements for the postretirement obligation that includes a medical benefit including prescription drugs, a dental benefit and a life benefit.

The pension and postretirement plans risk management practices include guidelines for asset concentration, credit rating, liquidity and tax efficiency. The fiduciaries of the pension and postretirement plans select investment managers to invest the assets of the plans consistent with each manager's investment mandate. These managers may use derivatives such as futures

contracts to reduce transaction costs and change asset concentration and may use interest rate swaps and futures to adjust duration.

The plan fiduciaries for the Company's pension and postretirement plans have developed guidelines for asset allocations reflecting a percentage of total assets by asset class, which are reviewed on a regular basis. Asset allocation targets as of December 31, 2025 are as follows:

	Pension		Postretirement	
	Minimum	Maximum	Minimum	Maximum
Asset Category				
U.S. Equities	0 %	3 %	11 %	32 %
International Equities	0 %	8 %	4 %	22 %
Fixed Maturities	51 %	70 %	5 %	72 %
Short-term Investments	0 %	11 %	0 %	26 %
Real Estate	3 %	16 %	0 %	0 %
Other	8 %	40 %	0 %	0 %

To implement the investment strategy, plan assets are invested in funds that primarily invest in securities that correspond to one of the asset categories under the investment guidelines. However, at any point in time, some of the assets in a fund may be of a different nature than the specified asset category.

Assets held with PICA are in either pooled separate accounts or single client separate accounts. Assets held with a bank are either in common/collective trusts or single client trusts. Pooled separate accounts and common/collective trusts hold assets for multiple investors. Each investor owns a "unit of account." The asset allocation targets above include the underlying asset mix in the Pooled Separate Accounts and Common/Collective Trusts. Single client separate accounts or trusts hold assets for only one investor, the domestic qualified pension plan, and each security in the fund is treated as individually owned.

There were no investments in Prudential Financial Common Stock as of both December 31, 2025 and 2024 for either the pension or postretirement plans.

The authoritative guidance around fair value established a framework for measuring fair value. Fair value is disclosed using a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value, as described in Note 6.

The following describes the valuation methodologies used for pension and postretirement plans assets measured at fair value.

Insurance Company Pooled Separate Accounts, Common/Collective Trusts, and United Kingdom Insurance Pooled Funds—Insurance company pooled separate accounts are invested via group annuity contracts issued by PICA. Assets are represented by a "unit of account." The redemption value of those units is based on a per unit value whose value is the result of the accumulated values of underlying investments. The unit of account value is used as a practical expedient to estimate fair value.

Equities—See Note 6 for a discussion of the valuation methodologies for equity securities.

U.S. Government Securities (both Federal and State & Other), Non–U.S. Government Securities, *and Corporate Debt*—See Note 6 for a discussion of the valuation methodologies for fixed maturity securities.

Interest Rate Swaps—See Note 6 for a discussion of the valuation methodologies for derivative instruments.

Registered Investment Companies (Mutual Funds)—Securities are priced at the NAV, which is the closing price published by the registered investment company on the reporting date.

Short-term Investments—Securities are valued initially at cost and thereafter adjusted for amortization of any discount or premium (i.e., amortized cost). Amortized cost approximates fair value.

Partnerships—The value of interests owned in partnerships is based on valuations of the underlying investments that include private placements, structured debt, real estate, equities, fixed maturities, commodities and other investments.

Hedge Funds—The value of interests in hedge funds is based on the underlying investments that include equities, debt and other investments.

Variable Life Insurance Policies—These assets are held in group and individual variable life insurance policies issued by PICA. Group policies are invested in Insurance Company Pooled Separate Accounts. Individual policies are invested in Registered Investment Companies (Mutual Funds). The value of interest in these policies is the cash surrender value (contract value) of the policies based on the underlying investments. The variable life insurance policies are valued at contract value which approximates fair value.

Pension plan asset allocations in accordance with the investment guidelines are as follows:

	As of December 31, 2025				As of December 31, 2024			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	(in millions)							
Fixed maturities:								
U.S. government securities (federal)	$ 0	$ 919	$ 0	$ 919	$ 0	$ 919	$ 0	$ 919
U.S. government securities (state & other)	0	259	0	259	0	273	0	273
Non-U.S. government securities	0	47	0	47	0	42	0	42
Corporate debt:								
Corporate bonds	0	2,171	10	2,181	0	2,035	6	2,041
Asset-backed	0	486	0	486	0	560	0	560
Collateralized mortgage obligations	0	304	0	304	0	453	0	453
Collateralized loan obligations	0	0	0	0	0	24	0	24
Interest rate swaps(1)	0	24	0	24	0	(12)	0	(12)
Registered investment companies	21	0	0	21	44	0	0	44
Common stock	8	0	0	8	20	0	0	20
Other(2)	23	0	13	36	22	1	29	52
Subtotal fixed maturities	52	4,210	23	4,285	86	4,295	35	4,416
Real estate:								
Partnerships	0	0	708	708	0	0	770	770
Other:								
Partnerships	0	0	2,550	2,550	0	0	2,437	2,437
Hedge funds	0	0	1,648	1,648	0	0	1,685	1,685
Subtotal other	0	0	4,198	4,198	0	0	4,122	4,122
Net assets in the fair value hierarchy	$ 52	$ 4,210	$ 4,929	$ 9,191	$ 86	$ 4,295	$ 4,927	$ 9,308
Investments Measured at Net Asset Value, as a Practical Expedient(3):								
Pooled separate accounts				$ 2,265				$ 2,090
Common/collective trusts				940				802
United Kingdom insurance pooled funds				94				93
Net assets at fair value				$ 12,490				$ 12,293

(1) Interest rate swaps notional amount is $1,221 million and $1,227 million for the years ended December 31, 2025 and 2024, respectively.
(2) This category primarily consists of cash and cash equivalents, short-term investments, payables and receivables, and open future contract positions (including fixed income collateral).

(3) The pension plan excludes from the fair value hierarchy investments that are measured at NAV per share (or its equivalent) as a practical expedient to estimate fair value. U.S. equities totaled $54 million and $37 million at December 31, 2025 and 2024, respectively. International equities totaled $166 million and $185 million at December 31, 2025 and 2024, respectively. Fixed maturities totaled $2,418 million and $2,186 million at December 31, 2025 and 2024, respectively. Short-term investments totaled $150 million and $67 million at December 31, 2025 and 2024, respectively. Real estate totaled $511 million and $510 million at December 31, 2025 and 2024, respectively.

Changes in Fair Value of Level 3 Pension Assets

	Fixed Maturities		Real Estate	Other	
	Corporate Bonds	Other	Partnerships	Partnerships	Hedge Fund
			(in millions)		
Fair Value, January 1, 2024	$ 9	$ 82	$ 942	$ 2,142	$ 1,495
Actual return on assets:					
Relating to assets still held at the reporting date	0	0	(95)	219	158
Relating to assets sold during the period	0	0	0	0	0
Purchases	0	0	(18)	76	32
Sales	(3)	0	(59)	0	0
Issuances	0	29	0	0	0
Settlements	0	(82)	0	0	0
Transfers in and/or out of Level 3	0	0	0	0	0
Fair Value, December 31, 2024	$ 6	$ 29	$ 770	$ 2,437	$ 1,685
Actual return on assets:					
Relating to assets still held at the reporting date	0	0	2	254	146
Relating to assets sold during the period	0	0	0	0	0
Purchases	4	0	8	127	75
Sales	0	0	(72)	(268)	(258)
Issuances	0	14	0	0	0
Settlements	0	(30)	0	0	0
Transfers in and/or out of Level 3	0	0	0	0	0
Fair Value, December 31, 2025	$ 10	$ 13	$ 708	$ 2,550	$ 1,648

Postretirement plan asset allocations in accordance with the investment guidelines are as follows:

	As of December 31, 2025				As of December 31, 2024			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	(in millions)							
Equities:								
U.S. equities	$ 0	$ 43	$ 0	$ 43	$ 0	$ 38	$ 0	$ 38
International equities	0	12	0	12	0	10	0	10
Subtotal equities	0	55	0	55	0	48	0	48
Fixed maturities:								
Equities	0	0	0	0	0	2	0	2
Subtotal fixed maturities	0	0	0	0	0	2	0	2
Short-term investments:								
Registered investment companies	78	0	0	78	46	0	0	46
Net assets in the fair value hierarchy	$ 78	$ 55	$ 0	$ 133	$ 46	$ 50	$ 0	$ 96
Investments Measured at Net Asset Value, as a Practical Expedient(1):								
Common/collective trusts				$ 149				$ 148
Net assets at fair value				282				244
Variable Life Insurance Policies at contract value				957				943
Total net assets				$ 1,239				$ 1,187

(1) The postretirement plan excludes from the fair value hierarchy investments that are measured at NAV per share (or its equivalent) as a practical expedient to estimate fair value and Variable Life Insurance Policies valued at contract value. U.S. equities totaled $215 million and $192 million at December 31, 2025 and 2024, respectively. International equities totaled $119 million and $99 million at December 31, 2025 and 2024, respectively. Fixed maturities totaled $623 million and $652 million at December 31, 2025 and 2024, respectively.

(2) There were no changes in the fair value of Level 3 postretirement assets from December 31, 2024 through December 31, 2025.

The expected benefit payments for the Company's pension and postretirement plans for the years indicated are as follows:

	Pension Benefit Payments	Other Postretirement Benefit Payments
	(in millions)	
2026	$ 1,056	$ 92
2027	900	96
2028	914	99
2029	933	105
2030	962	107
2031-2035	4,594	469
Total	$ 9,359	$ 968

The Company anticipates that it will make cash contributions in 2026 of approximately $165 million to the pension plans and approximately $10 million to the postretirement plans.

Postemployment Benefits

The Company accrues postemployment benefits for income continuance and health and life benefits provided to former or inactive employees who are not retirees. The net accumulated liability for these benefits was $30 million as of both December 31, 2025 and 2024, and is included in "Other liabilities."

Other Employee Benefits

The Company sponsors voluntary savings plans for employees (401(k) plans). The plans provide for salary reduction contributions by employees and matching contributions by the Company of up to 4% of annual salary. The matching contributions by the Company included in "General and administrative expenses" were $84 million, $87 million and $79 million for the years ended December 31, 2025, 2024 and 2023, respectively.

20. EQUITY

Preferred Stock

As of December 31, 2025, 2024 and 2023, the Company had 10,000,000 shares of preferred stock authorized but none issued or outstanding.

Common Stock

On the date of demutualization in December 2001, Prudential Financial completed an initial public offering of its Common Stock. The shares of Common Stock issued were in addition to shares of Common Stock the Company distributed to policyholders as part of the demutualization. The Common Stock is traded on the New York Stock Exchange under the symbol "PRU." In the event of a liquidation, dissolution or winding-up of the Company, holders of Common Stock would be entitled to receive a proportionate share of the net assets of the Company that remain after paying all liabilities and the liquidation preferences of any preferred stock.

The changes in the number of shares of Common Stock issued, held in treasury and outstanding, are as follows for the periods indicated:

	Common Stock		
	Issued	Held In Treasury	Outstanding
		(in millions)	
Balance, December 31, 2022	666.3	300.3	366.0
Common Stock issued	0.0	0.0	0.0
Common Stock acquired	0.0	10.9	(10.9)
Stock-based compensation programs(1)	0.0	(4.1)	4.1
Balance, December 31, 2023	666.3	307.1	359.2
Common Stock issued	0.0	0.0	0.0
Common Stock acquired	0.0	8.6	(8.6)
Stock-based compensation programs(1)	0.0	(4.0)	4.0
Balance, December 31, 2024	666.3	311.7	354.6
Common Stock issued	0.0	0.0	0.0
Common Stock acquired	0.0	9.3	(9.3)
Stock-based compensation programs(1)	0.0	(2.7)	2.7
Balance, December 31, 2025	666.3	318.3	348.0

(1) Represents net shares issued from treasury pursuant to the Company's stock-based compensation programs.

Additional paid-in capital

"Additional paid-in capital" primarily consists of the cumulative excess between: (a) the total cash received by the Company in conjunction with past issuances of Common Stock shares or Common Stock shares reissued from treasury in conjunction with the Company's stock-based compensation program and (b) the total par value associated with those shares ($.01 per share).

Common stock held in treasury

Common Stock held in treasury represents the Company's previously issued shares of stock which have been repurchased by the Company but not retired. These shares are accounted for at the cost at which they were acquired. Common Stock held in treasury is typically impacted by repurchases of shares under the Board of Directors approved share repurchase program and by reissuances of shares associated with the Company's stock-based compensation programs, or for other purposes, which are accounted for at average cost upon reissuance. Gains resulting from the reissuance of Common Stock held in treasury are credited to "Additional paid-in capital." Losses resulting from the reissuance of Common Stock held in treasury are charged first to "Additional paid-in capital" to the extent the Company has previously recorded gains on treasury share transactions, then to "Retained earnings."

The Board of Directors may from time to time, at its discretion, authorize management to repurchase shares of Common Stock of the Company. The timing and amount of share repurchases are determined by management based upon market conditions and other considerations, and such repurchases may be executed in the open market, through derivative, accelerated repurchase and other negotiated transactions and through plans complying with Rule 10b5-1(c) under the Securities Exchange Act of 1934 (the "Exchange Act"), as amended. Numerous factors could affect the timing and amount of any future repurchases under the share repurchase authorization, including, but not limited to: compliance with laws, increased capital needs of the Company due to changes in regulatory capital requirements, opportunities for growth and acquisitions, and the effect of adverse market conditions.

The following table summarizes share repurchases for each of the past three years as well as the share repurchase authorization for 2026, which was approved by the Board of Directors in December 2025:

	January 1, 2026 - December 31, 2026	January 1, 2025 - December 31, 2025	January 1, 2024 - December 31, 2024	January 1, 2023 - December 31, 2023
Total Board authorized share repurchase amount ($ in billions)	$ 1.0	$ 1.0	$ 1.0	$ 1.0
Total number of shares repurchased under this authorization as of the period end (in millions)	N/A*	9.3	8.6	10.9

* Share repurchase authorization for a future period.

Dividends declared per share of Common Stock are as follows for the years indicated:

	2025	2024	2023
Dividends declared per share of Common Stock	$ 5.40	$ 5.20	$ 5.00

Accumulated Other Comprehensive Income (Loss)

AOCI represents the cumulative OCI items that are reported separate from net income and detailed on the Consolidated Statements of Comprehensive Income. Each of the components that comprise OCI are described in further detail in Note 2 (Foreign Currency Translation Adjustment and Net Unrealized Investment Gains (Losses)), Note 12 (Interest rate remeasurement of Liability for Future Policy Benefits), Note 14 (Gains (losses) from Changes in Nonperformance Risk on Market Risk Benefits) and Note 19 (Pension and Postretirement Unrecognized Net Periodic Benefit (Cost)). The balance of and changes in each component of AOCI as of and for the years ended December 31, are as follows:

	Accumulated Other Comprehensive Income (Loss) Attributable to Prudential Financial, Inc.					
	Foreign Currency Translation Adjustment	Net Unrealized Investment Gains (Losses)(1)	Interest rate remeasurement of Liability for Future Policy Benefits	Gains (Losses) from Changes in Nonperformance Risk on Market Risk Benefits	Pension and Postretirement Unrecognized Net Periodic Benefit (Cost)	Total Accumulated Other Comprehensive Income (Loss)
	(in millions)					
Balance, December 31, 2022	$ (2,274)	$ (16,194)	$ 15,242	$ 1,448	$ (2,028)	$ (3,806)
Change in OCI before reclassifications	(246)	5,076	(8,770)	(693)	(98)	(4,731)
Amounts reclassified from AOCI	(18)	1,143	0	0	71	1,196
Income tax benefit (expense)	(148)	(1,238)	2,075	145	3	837
Balance, December 31, 2023	(2,686)	(11,213)	8,547	900	(2,052)	(6,504)
Change in OCI before reclassifications	(811)	(12,822)	11,804	(466)	(234)	(2,529)
Amounts reclassified from AOCI	(41)	2,697	0	0	30	2,686
Income tax benefit (expense)	(77)	2,651	(3,045)	98	9	(364)
Balance, December 31, 2024	(3,615)	(18,687)	17,306	532	(2,247)	(6,711)
Change in OCI before reclassifications	499	(1,695)	5,385	(195)	(372)	3,622
Amounts reclassified from AOCI	(53)	1,042	0	0	26	1,015
Income tax benefit (expense)	(14)	551	(1,652)	41	71	(1,003)
Balance, December 31, 2025	$ (3,183)	$ (18,789)	$ 21,039	$ 378	$ (2,522)	$ (3,077)

(1) Includes cash flow hedges of $(231) million, $1,780 million and $869 million as of December 31, 2025, 2024, and 2023, respectively, and fair value hedges of $(123) million, $(64) million, and $(60) million as of December 31, 2025, 2024, and 2023, respectively.

Reclassifications out of Accumulated Other Comprehensive Income (Loss)

	Years Ended December 31,			Affected line item in Consolidated Statements of Operations
	2025	2024	2023	
		(in millions)		
Amounts reclassified from AOCI(1)(2):				
Foreign currency translation adjustment:				
Foreign currency translation adjustment	$ 44	$ 41	$ 18	Realized investment gains (losses), net
Foreign currency translation adjustment	9	0	0	Other income (loss)
Total foreign currency translation adjustment	53	41	18	
Net unrealized investment gains (losses):				
Cash flow hedges—Interest Rate	(13)	(30)	(38)	(3)
Cash flow hedges—Currency	(8)	3	14	(3)
Cash flow hedges—Currency/Interest rate	(107)	612	200	(3)
Fair value hedges—Currency	(14)	(10)	(8)	(3)
Net unrealized investment gains (losses) on available-for-sale securities	(900)	(3,272)	(1,311)	Realized investment gains (losses), net
Total net unrealized investment gains (losses)	(1,042)	(2,697)	(1,143)	(4)
Amortization of defined benefit items:				
Prior service cost	68	68	8	(5)
Actuarial gain (loss)	(94)	(98)	(79)	(5)
Total amortization of defined benefit items	(26)	(30)	(71)	
Total reclassifications for the period	$ (1,015)	$ (2,686)	$ (1,196)	

(1) All amounts are shown before tax.
(2) Positive amounts indicate gains/benefits reclassified out of AOCI. Negative amounts indicate losses/costs reclassified out of AOCI.
(3) See Note 5 for additional information regarding cash flow and fair value hedges.
(4) See table below for additional information regarding unrealized investment gains (losses), including the impact on future policy benefits and policyholders' dividends.
(5) See Note 19 for information regarding employee benefit plans.

Net Unrealized Investment Gains (Losses)

Net unrealized investment gains (losses) on available-for-sale fixed maturity securities and certain other invested assets and other assets are included in the Company's Consolidated Statements of Financial Position as a component of AOCI. Changes in these amounts include reclassification adjustments to exclude from "Other comprehensive income (loss)" those items that are included as part of "Net income (loss)" for a period that had been part of "Other comprehensive income (loss)" in earlier periods. The amounts for the periods indicated below, split between amounts related to available-for-sale fixed maturity securities on which an allowance for credit losses has been recorded, and all other net unrealized investment gains (losses), are as follows:

	Net Unrealized Investment Gains (Losses) on AFS Fixed Maturity Securities on Which an ACL has been Recognized	Net Unrealized Gains (Losses) on All Other Investments(1)	Reinsurance Recoverables	Future Policy Benefits, Policyholders' Account Balances and Reinsurance Payables	Policyholders' Dividends	Income Tax Benefit (Expense)	AOCI Related to Net Unrealized Investment Gains (Losses)
				(in millions)			
Balance, December 31, 2022	$ (45)	$ (24,959)	$ (703)	$ 1,946	$ 3,194	$ 4,373	$ (16,194)
Net investment gains (losses) on investments arising during the period	15	6,595				(1,327)	5,283
Reclassification adjustment for (gains) losses included in net income	(3)	1,146				(229)	914
Reclassification due to allowance for credit losses recorded during the period	(39)	39				0	0
Impact of net unrealized investment (gains) losses			219	(640)	(1,113)	318	(1,216)
Balance, December 31, 2023	(72)	(17,179)	(484)	1,306	2,081	3,135	(11,213)
Net investment gains (losses) on investments arising during the period	(24)	(12,703)				3,339	(9,388)
Reclassification adjustment for (gains) losses included in net income	97	2,600				(708)	1,989
Reclassification due to allowance for credit losses recorded during the period	5	(5)				0	0
Impact of net unrealized investment (gains) losses			215	(325)	15	20	(75)
Balance, December 31, 2024	6	(27,287)	(269)	981	2,096	5,786	(18,687)
Net investment gains (losses) on investments arising during the period	(6)	(400)				(179)	(585)
Reclassification adjustment for (gains) losses included in net income	(4)	1,046				459	1,501
Impact of net unrealized investment (gains) losses			101	(358)	(1,032)	271	(1,018)
Balance, December 31, 2025	$ (4)	$ (26,641)	$ (168)	$ 623	$ 1,064	$ 6,337	$ (18,789)

(1) Includes cash flow and fair value hedges. See Note 5 for additional information.

Retained earnings

Retained earnings primarily represents the cumulative net income earned by the Company that has been retained by the Company as of the reporting date. Other unique items, included but not limited to the adoption of new accounting standards updates, may also impact retained earnings. In any given period, retained earnings may increase due to net income and may decrease due to net losses or the declaration of dividends. The declaration and payment of dividends on the Common Stock is limited by New Jersey corporate law, pursuant to which Prudential Financial is prohibited from paying a Common Stock dividend if, after giving effect to that dividend, either (a) the Company would be unable to pay its debts as they become due in the usual course of its business or (b) the Company's total assets would be less than its liabilities. In addition, the terms of the Company's outstanding junior subordinated debt include a "dividend stopper" provision that restricts the payment of dividends on the Common Stock if interest payments are not made on the junior subordinated debt.

Other than the above limitations, the Company's Retained earnings balance is free of restrictions for the payment of Common Stock dividends; however, Common Stock dividends will be dependent upon financial conditions, results of operations, cash needs, future prospects and other factors, including cash available to Prudential Financial, the parent holding company. The principal sources of funds available to Prudential Financial are dividends and returns of capital from its subsidiaries, loans from its subsidiaries, repayments of operating loans from its subsidiaries, and cash and other highly liquid assets. The primary uses of funds at Prudential Financial include servicing its debt, operating expenses, capital contributions and loans to subsidiaries, the payment of declared shareholder dividends and repurchases of outstanding shares of Common Stock if executed under Board authority. As of December 31, 2025, Prudential Financial had highly liquid assets (excluding amounts held in an intercompany liquidity account) of $3,817 million predominantly including cash, short-term investments, U.S. Treasury securities, obligations of other U.S. government authorities and agencies, and/or foreign government bonds.

Future cash available at Prudential Financial to support the payment of future Common Stock dividends is dependent on the receipt of dividends or other funds from its subsidiaries, the majority of which are subject to comprehensive regulation, including limitations on their payment of dividends and other transfers of funds, which are discussed in this Note further below.

Noncontrolling interests

For certain subsidiaries, the Company owns a controlling interest that is less than 100% ownership of the subsidiary but must consolidate 100% of the subsidiary's financial statements in accordance with U.S. GAAP. Noncontrolling interests represent the portion of equity ownership in a consolidated subsidiary that is not attributable to the Company.

Insurance Subsidiaries - Statutory Financial Information and Restrictions on Payments of Dividends

U.S. Insurance Subsidiaries—Statutory Financial Information

The Company's domestic insurance subsidiaries are required to prepare statutory financial statements in accordance with statutory accounting practices prescribed or permitted by the insurance department of the state of domicile. Statutory accounting practices primarily differ from U.S. GAAP by charging policy acquisition costs to expense as incurred, establishing future policy benefit liabilities using different actuarial assumptions as well as valuing investments and certain assets and accounting for deferred taxes on a different basis.

The risk-based capital ("RBC") ratio is a primary measure by which the Company and its insurance regulators evaluate the capital adequacy of PICA and the Company's other domestic insurance subsidiaries. RBC is determined by NAIC-prescribed formulas that consider, among other things, risks related to the type and quality of the invested assets, insurance-related risks associated with an insurer's products and liabilities, interest rate risks and general business risks. The RBC ratio is equal to an insurer's total adjusted capital divided by the minimum amount of statutory capital and surplus needed by the insurer to support its operations, which is referred to as its "company action level RBC." Insurers that have less statutory capital than required by their company action level RBC are considered to have inadequate capital and are subject to varying degrees of regulatory action depending upon the level of capital inadequacy. The Company expects to report RBC ratios for PICA and its other domestic insurance subsidiaries as of December 31, 2025 above the 100% regulatory required minimum that would require corrective action and above PICA's target level that would support a "AA" financial strength rating.

The following table summarizes certain statutory financial information for the Company's U.S. insurance subsidiary as of and for the years ended:

	PICA		
	December 31, 2025	December 31, 2024	December 31, 2023
	(in millions)		
Statutory net income (loss)	$ 1,951	$ 1,245	$ 1,732
Statutory capital and surplus(1)	$ 15,907	$ 15,790	$ 16,085

(1) Prior period amounts have been updated to conform to finalized statutory filings, where applicable.

U.S. Insurance Subsidiaries—Restrictions on Payment of Dividends to Prudential Financial, the Parent Holding Company

With respect to PICA, a New Jersey domiciled insurance subsidiary which is also the Company's primary domestic insurance subsidiary, New Jersey insurance law provides that, except in the case of extraordinary dividends (as described below), all dividends or other distributions paid by PICA may be paid only from unassigned surplus, as determined pursuant to statutory accounting principles, less cumulative unrealized investment gains and losses and revaluation of assets as of the prior calendar year-end. As of December 31, 2025, PICA's unassigned surplus less applicable adjustments for cumulative unrealized investment gains was $3,687 million. PICA must give prior notification to the NJDOBI of its intent to pay any such dividend or distribution. Also, if any dividend, together with other dividends or distributions made within the preceding twelve months, exceeds the greater of (i) 10% of statutory capital and surplus as of the preceding December 31 or (ii) its statutory net gain from operations excluding realized investment gains and losses for the twelve-month period ending on the preceding December 31, the dividend is considered to be an "extraordinary dividend" and requires the prior approval of the NJDOBI. Under New Jersey insurance law, PICA is permitted to pay an ordinary dividend of up to $1,848 million in 2026, without prior approval of the

NJDOBI. Of the $1,848 million, $648 million is permitted to be paid after September 24, 2026, and the remaining $1,200 million is permitted to be paid after December 15, 2026, without prior approval of the NJDOBI.

International Insurance Subsidiaries—Statutory Financial Information

The Company's international insurance subsidiaries prepare financial statements in accordance with local regulatory requirements. These statutory accounting practices differ from U.S. GAAP primarily by charging policy acquisition costs to expense as incurred and establishing future policy benefit liabilities using different actuarial assumptions, as well as valuing investments and certain assets and accounting for deferred taxes on a different basis.

The Japan Financial Services Agency ("FSA") utilizes a solvency margin ratio to evaluate the capital adequacy of Japanese insurance companies. The solvency margin ratio considers the level of solvency margin capital to a solvency margin risk amount, which is calculated in a similar manner to RBC. As of December 31, 2025, the Company expects The Prudential Life Insurance Company Ltd. ("Prudential of Japan") and Gibraltar Life both had solvency margin capital in excess of 3.5 times the regulatory required minimums that would require corrective action.

All of the Company's domestic and international insurance subsidiaries have capital and surplus levels that exceed their respective regulatory minimum requirements, and none utilized prescribed or permitted practices that vary materially from the practices prescribed by the NAIC or equivalent regulatory bodies for results reported as of December 31, 2025 and 2024, respectively, or for the years ended December 31, 2025, 2024 and 2023, respectively.

International Insurance Subsidiaries—Restrictions on Payment of Dividends to Prudential Financial, the Parent Holding Company

The Company's international insurance operations are subject to dividend restrictions from the regulatory authorities in the jurisdictions in which they operate. With respect to Prudential of Japan and Gibraltar Life, the Company's most significant international insurance subsidiaries, both of which are domiciled in Japan, Japan law provides that common stock dividends may be paid in an amount of up to 83% of prior fiscal year statutory after-tax earnings, after certain reserving thresholds are met, including providing for policyholder dividends. If statutory retained earnings exceed 100% of statutory paid-in capital, 100% of prior year statutory after-tax earnings may be paid, after reserving thresholds are met. Dividends in excess of these amounts and other forms of capital distribution may require the prior approval of the FSA. Additionally, Prudential of Japan and Gibraltar Life must give prior notification to the FSA of their intent to pay any dividend or distribution.

For the year ended December 31, 2025, Prudential Financial received $1,118 million from its international insurance subsidiaries. In addition to paying Common Stock dividends, the Company's international insurance operations may return capital to Prudential Financial through, or facilitated by, other means, such as the repayment of Preferred Stock obligations held by Prudential Financial or other affiliates, affiliated lending, affiliated derivatives and reinsurance with U.S.- and Bermuda-based affiliates. The Company's Japan insurance operations have entered into reinsurance agreements with Gibraltar Reinsurance Company Ltd., the Company's Bermuda-based reinsurance affiliate, as well as with the Company's domestic insurance operations to reinsure the mortality and morbidity risk associated with a portion of the in-force contracts as well as newly-issued contracts for certain products. The Company expects these transactions will allow it to more efficiently manage its capital and risk profile. The current regulatory fiscal year end for both Prudential of Japan and Gibraltar Life is March 31, 2026, after which time the common stock dividend amount permitted to be paid without prior approval from the FSA can be determined.

In addition, although prior regulatory approval may not be required by law for the payment of dividends up to the limitations described above, in practice, the Company would typically discuss any dividend payments with the applicable regulatory authority prior to payment. Additionally, the payment of dividends by the Company's subsidiaries is subject to declaration by their Board of Directors and may be affected by market conditions and other factors.

21. EARNINGS PER SHARE

A reconciliation of the numerators and denominators of the basic and diluted per share computations of Common Stock based on the consolidated earnings of Prudential Financial for the years ended December 31, is as follows:

	2025			2024			2023		
	Income	Weighted Average Shares	Per Share Amount	Income	Weighted Average Shares	Per Share Amount	Income	Weighted Average Shares	Per Share Amount
	(in millions, except per share amounts)								
Basic earnings per share									
Net income (loss)	$ 3,732			$ 2,846			$ 2,508		
Less: Income (loss) attributable to noncontrolling interests and redeemable noncontrolling interests	156			119			20		
Less: Dividends and undistributed earnings allocated to participating unvested share-based payment awards	41			32			29		
Net income (loss) attributable to Prudential Financial available to holders of Common Stock	$ 3,535	351.8	$ 10.05	$ 2,695	357.5	$ 7.54	$ 2,459	363.5	$ 6.76
Effect of dilutive securities and compensation programs									
Add: Dividends and undistributed earnings allocated to participating unvested share-based payment awards—Basic	$ 41			$ 32			$ 29		
Less: Dividends and undistributed earnings allocated to participating unvested share-based payment awards—Diluted	41			32			29		
Stock options		0.1			0.3			0.2	
Deferred and long-term compensation programs		1.8			1.5			0.9	
Diluted earnings per share									
Net income (loss) attributable to Prudential Financial available to holders of Common Stock	$ 3,535	353.7	$ 9.99	$ 2,695	359.3	$ 7.50	$ 2,459	364.6	$ 6.74

Unvested share-based payment awards that contain nonforfeitable rights to dividends are participating securities and included in the computation of earnings per share pursuant to the two-class method. Under this method, earnings attributable to Prudential Financial are allocated between Common Stock and the participating awards, as if the awards were a second class of stock. During periods of net income available to holders of Common Stock, the calculation of earnings per share excludes the income attributable to participating securities in the numerator and the dilutive impact of these securities from the denominator. In the event of a net loss available to holders of Common Stock, undistributed earnings are not allocated to participating securities and the denominator excludes the dilutive impact of these securities as they do not share in the losses of the Company. Undistributed earnings allocated to participating unvested share-based payment awards for the years ended December 31, 2025, 2024 and 2023, as applicable, were based on 3.8 million, 4.0 million and 4.1 million of such awards, respectively, weighted for the period they were outstanding.

Stock options and shares related to deferred and long-term compensation programs that are considered antidilutive are excluded from the computation of diluted earnings per share. Stock options are considered antidilutive based on application of the treasury stock method or in the event of a net loss available to holders of Common Stock. Shares related to deferred and long-term compensation programs are considered antidilutive in the event of a net loss available to holders of Common Stock. For the years ended December 31, the number of stock options and shares related to deferred and long-term compensation programs that were considered antidilutive and were excluded from the computation of diluted earnings per share, weighted for the portion of the period they were outstanding, are as follows:

	2025		2024		2023	
	Shares	Exercise Price Per Share	Shares	Exercise Price Per Share	Shares	Exercise Price Per Share
	(in millions, except per share amounts, based on weighted average)					
Antidilutive stock options based on application of the treasury stock method	0.1	$ 109.02	0.1	$ 110.42	1.2	$ 102.63
Antidilutive stock options due to net loss available to holders of Common Stock	0.0		0.0		0.0	
Antidilutive shares based on application of the treasury stock method	0.0		0.0		0.1	
Antidilutive shares due to net loss available to holders of Common Stock	0.0		0.0		0.0	
Total antidilutive stock options and shares	0.1		0.1		1.3	

22. SHARE-BASED PAYMENTS

Omnibus Incentive Plan

Prudential Financial, Inc.'s Omnibus Incentive Plan provides stock-based awards including stock options, stock appreciation rights, restricted stock shares, restricted stock units, stock settled performance shares, and cash settled performance units. Dividend equivalents are generally provided on restricted stock shares and restricted stock units outstanding as of the record date. Dividend equivalents are generally accrued on target performance shares and units outstanding as of the record date. These dividend equivalents are paid only on the performance shares and units released up to a maximum of the target number of shares and units awarded. Generally, the requisite service period is the vesting period. There were 12,496,717 authorized shares available for grant under the Omnibus Incentive Plan as of December 31, 2025.

Assurance IQ ("AIQ") Acquisition

The Company acquired AIQ on October 10, 2019. The terms of the acquisition included compensation awards that involved share-based payment arrangements that are linked to retention and therefore fall under the reporting requirements of ASC 718, Stock Compensation. These compensation awards include stock options, restricted stock units and performance shares.

Compensation Costs

Compensation cost for restricted stock units and performance shares granted to employees is measured by the share price of the underlying Common Stock at the date of grant.

Compensation cost for employee stock options is based on the fair values estimated on the grant date. Under the Omnibus Incentive Plan, the fair value of each stock option award is estimated using a binomial option pricing model on the date of grant for stock options issued to employees. For the awards related to the AIQ acquisition, the fair value of each stock option award is based on its intrinsic value on the date of grant. There were no stock options granted in 2025, 2024 and 2023.

Expected volatility is based on historical volatility of Prudential Financial's Common Stock and implied volatility from traded options on Prudential Financial's Common Stock. The Company uses historical data and expectations of future exercise patterns to estimate option exercises and employee terminations within the valuation model. The expected term of options granted represents the period of time that options granted are expected to be outstanding. The risk-free rate for periods associated with the expected term of the option is based on the U.S. Treasury yield curve in effect at the time of grant.

The following table summarizes the compensation cost recognized and the related income tax benefit for stock options, restricted stock units, performance shares and performance units for the years ended December 31:

Omnibus Incentive Plan:	2025		2024		2023	
	Total Compensation Cost Recognized (1)	Income Tax Benefit	Total Compensation Cost Recognized (1)	Income Tax Benefit	Total Compensation Cost Recognized (1)	Income Tax Benefit
	(in millions)					
Employee stock options	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Employee restricted stock units	200	46	200	47	200	47
Employee performance shares and performance units	57	13	114	27	54	12
Total	$ 257	$ 59	$ 314	$ 74	$ 254	$ 59

(1) Compensation costs related to retirement eligible participants are recorded on the grant date (typically in the first quarter of every year).

On January 10, 2024, the Board of Directors of Prudential Financial, Inc. adopted certain modifications to the terms and conditions of performance shares granted in 2021, 2022 and 2023. These modifications 1) mitigate the impact of outsized interest rate volatility, both positive and negative, as it relates to achieving adjusted book value per share growth goals, and 2) reduce certain book value per share goals and maximum payout opportunities. The impact from these modifications increased shares to be delivered to 161 employees across all three performance plans by a total of approximately 600,000 shares. In addition, total compensation costs resulting from these modifications increased by approximately $62 million.

Assurance IQ Acquisition:	2025		2024		2023	
	Total Compensation Cost Recognized	Income Tax Benefit	Total Compensation Cost Recognized	Income Tax Benefit	Total Compensation Cost Recognized	Income Tax Benefit
	(in millions)					
Employee stock options	$ 0	$ 0	$ 0	$ 0	$ 2	$ 1
Employee restricted stock units	0	0	0	0	1	0
Employee performance shares	0	0	0	0	0	0
Total	$ 0	$ 0	$ 0	$ 0	$ 3	$ 1

Compensation costs related to stock-based compensation plans capitalized in deferred acquisition costs for the years ended December 31, 2025, 2024 and 2023 were de minimis.

Stock Options

Each stock option granted under the Omnibus Incentive Plan has an exercise price at the fair market value of Prudential Financial's Common Stock on the date of grant and has a maximum term of 10 years. Generally, one third of the option grant vests in each of the first three years. Options granted related to the AIQ acquisition have an exercise price based on the original strike price of the AIQ options that they replaced and have a maximum term of 10 years from the date the AIQ options were originally granted. Options granted related to the AIQ acquisition generally vest quarterly over three years.

A summary of the status of the Company's stock option grants is as follows:

	Employee Stock Options			
	Omnibus Incentive Plan		Assurance IQ Acquisition	
	Shares	Weighted Average Exercise Price	Shares	Weighted Average Exercise Price
Outstanding at December 31, 2024	661,895	$ 96.00	2,171	$ 0.09
Granted	0	0.00	0	0.00
Exercised	(56,141)	78.42	(2,171)	0.09
Forfeited	0	0.00	0	0.00
Expired	(1,314)	78.08	0	0.00
Outstanding at December 31, 2025	604,440	$ 97.67	0	$ 0.00
Exercisable at December 31, 2025	604,440	$ 97.67	0	$ 0.00

There were no stock options granted for the years 2025, 2024 or 2023.

The total intrinsic value (i.e., market price of the stock less the option exercise price) of employee stock options exercised during the years ended December 31, 2025, 2024 and 2023 was $2 million, $26 million, and $8 million, respectively. For the AIQ acquisition related awards, the total intrinsic value of employee stock options exercised during the years ended December 31, 2025, 2024 and 2023 was less than $1 million, $2 million and $3 million, respectively.

The weighted average remaining contractual term and the aggregate intrinsic value of stock options outstanding and exercisable as of December 31, 2025 is as follows:

	Employee Stock Options	
	Omnibus Incentive Plan	
	Weighted Average Remaining Contractual Term	Aggregate Intrinsic Value
	(in years)	(in millions)
Outstanding	2.51 years	$ 9
Exercisable	2.51 years	$ 9

There were no AIQ Acquisition options remaining as of December 31, 2025.

Restricted Stock Units and Performance Share Awards

A restricted stock unit is an unfunded, unsecured right to receive a share of Prudential Financial's Common Stock at the end of a specified period of time, which is subject to forfeiture and transfer restrictions. Generally, the restrictions will lapse one third annually over 3 years. Performance shares are awards denominated in Prudential Financial's Common Stock. The number of units is determined over the performance period and may be adjusted based on the satisfaction of certain performance goals for the Company. Performance share awards are payable in Prudential Financial's Common Stock. Generally, the awards will be released following the 3-year performance period.

A summary of the Company's restricted stock unit and performance share awards under the Omnibus Incentive Plan is as follows:

	Restricted Stock Units	Weighted Average Grant Date Fair Value	Performance Share Awards(1)	Weighted Average Grant Date Fair Value
Restricted at December 31, 2024	3,919,337	$ 104.53	1,923,149	$ 101.50
Granted	1,952,680	108.42	734,808	104.93
Forfeited	(229,277)	107.07	(53,342)	107.21
Performance adjustment(2)	0	0.00	(100,878)	103.72
Released	(1,893,017)	107.52	(468,344)	103.74
Restricted at December 31, 2025	3,749,723	$ 104.90	2,035,393	$ 101.96

(1) Performance share awards reflect the target units awarded, reduced for forfeitures and releases to date. The actual number of units to be awarded at the end of each performance period will range between 0% and 150% of the target number of units granted, based upon a measure of the reported performance for the Company relative to stated goals.
(2) Represents the difference between the target units granted and the actual units awarded based upon the attainment of performance goals for the Company.

The fair market value of restricted stock units and performance shares released under the Omnibus Incentive Plan for the years ended December 31, 2025, 2024 and 2023 was $269 million, $302 million and $360 million, respectively. The fair market value of restricted stock units released for the AIQ acquisition related awards under the Omnibus Incentive Plan for the years ended December 31, 2025, 2024 and 2023 was $0, less than $1 million and $1 million, respectively.

The weighted average grant date fair value for restricted stock units granted under the Omnibus Incentive Plan during the years ended December 31, 2025, 2024 and 2023 was $108.42, $102.66 and $102.64, respectively. The weighted average grant date fair value for performance shares granted under the Omnibus Incentive Plan during the years ended December 31, 2025, 2024 and 2023 was $104.93, $97.67 and $103.27, respectively. There were no restricted stock units granted for the AIQ acquisition during the year ended December 31, 2025, 2024 and 2023.

Unrecognized Compensation Cost

There was no unrecognized compensation cost for stock options under the Omnibus Incentive Plan as of December 31, 2025. Unrecognized compensation cost for restricted stock units and performance shares under the Omnibus Incentive Plan as of December 31, 2025 was $169 million with a weighted average recognition period of 1.76 years. There was no unrecognized compensation cost for stock options or restricted units related to the AIQ acquisition as of December 31, 2025.

Tax Benefits Realized

The Company's tax benefit realized for exercises of stock options under the Omnibus Incentive Plan during the years ended December 31, 2025, 2024 and 2023 was less than $1 million, $3 million and $2 million, respectively. The tax benefit realized for exercises of stock options related to the AIQ acquisition during the years ended December 31, 2025, 2024 and 2023 was less than $1 million for each period.

The Company's tax benefit realized upon vesting of restricted stock units, performance shares and performance units under the Omnibus Incentive Plan for the years ended December 31, 2025, 2024 and 2023 was $54 million, $60 million and $77 million, respectively. The tax benefit realized upon vesting of restricted stock units related to the AIQ acquisition during the years ended December 31, 2025, 2024 and 2023 was $0, less than $1 million and less than $1 million, respectively.

Settlement of Awards

The Company's policy is to issue shares from Common Stock held in treasury upon exercise of stock options, the release of restricted stock units and performance shares.

23. SEGMENT INFORMATION

Segments

The Company's principal operations consist of PGIM (the Company's global investment management business), the U.S. Businesses (consisting of the Retirement Strategies, Group Insurance, and Individual Life businesses), the International Businesses, the Closed Block division, and the Company's Corporate and Other operations. The Closed Block division is accounted for as a divested business that is reported separately from the Divested and Run-off Businesses that are included in Corporate and Other operations. Divested and Run-off Businesses consist of businesses that have been, or will be, sold or exited, including businesses that have been placed in wind-down status that do not qualify for "discontinued operations" accounting treatment under U.S. GAAP. The Company's Corporate and Other operations include corporate items and initiatives that are not allocated to business segments as well as the Divested and Run-off Businesses described above.

The PGIM segment provides a comprehensive array of investment management solutions across a variety of asset classes, including public fixed income, public equity, real estate, private credit and other alternatives, and multi-asset class strategies, to institutional and retail clients, as well as the Company's affiliated insurance and retirement businesses.

The U.S. Businesses offer a broad range of products and solutions that cover protection, retirement, savings, income and investment needs. The U.S. Businesses are organized into the following segments:

- The Retirement Strategies segment, which includes the Institutional and Individual Retirement Strategies businesses, provides a broad range of retirement investment and income products and services to retirement plan sponsors in the public, private and not-for-profit sectors, and develops and distributes individual variable and fixed annuity products, primarily to the U.S. mass affluent and affluent markets.
- The Group Insurance segment provides and distributes a full range of group life, long-term and short-term group disability, and group corporate-, bank- and trust-owned life insurance. In addition, the segment sells supplemental health solutions including accident, critical illness, and hospital indemnity.
- The Individual Life segment develops and distributes variable life, universal life and term life insurance products primarily to the U.S. mass middle, mass affluent and affluent markets.

The International Businesses segment develops and distributes life insurance, retirement products, investment products and certain accident and health products with fixed benefits to affluent, mass affluent and broad middle income customers predominantly in Japan, Brazil and Mexico, as well as through joint ventures in Chile, China, India and Indonesia, and through strategic investments in Ghana and South Africa.

Effective in the first quarter of 2025, consistent with changes to the Company's internal management structure, the Company's International Businesses are reflected as a single operating and reportable segment, which is how the chief operating decision maker ("CODM") now assesses its performance and allocates resources. Prior to the first quarter of 2025, International Businesses consisted of the Life Planner and Gibraltar Life and Other operating segments, each of which was a reportable segment under U.S. GAAP. The change has been applied retrospectively and did not have any impact on the Company's Consolidated Financial Statements contained herein or to any previously issued financial statements.

The Closed Block division includes certain in-force participating insurance and annuity products and corresponding assets that are used for the payment of benefits, expenses and policyholders' dividends related to these products, as well as certain related assets and liabilities. In connection with demutualization, the Company ceased offering these participating products. The Closed Block division is accounted for as a divested business that is reported separately from the Divested and Run-off Businesses that are included in the Company's Corporate and Other operations. See Note 16 for additional information regarding the Closed Block.

Corporate and Other Operations consists primarily of: (1) capital that is not deployed in any business segment; (2) investments not allocated to business segments; (3) capital debt; (4) the Company's qualified and non-qualified pension and other employee benefit plans, after allocations to business segments; (5) corporate-level activities, after allocations to business segments, primarily including strategic expenditures, acquisition and disposition costs, corporate governance, corporate advertising, philanthropic activities, deferred compensation, and costs related to certain contingencies and legal matters; (6) expenses associated with the multi-year plan of programs that span across the Company's businesses and the functional areas that support those businesses; (7) certain retained obligations relating to pre-demutualization policyholders; (8) impacts of risk

management activities pursuant to the Company's Risk Appetite Framework; (9) the foreign currency income hedging program used to hedge certain non-U.S. dollar denominated earnings in the International Businesses segment; (10) intercompany arrangements with the Company's International Businesses and PGIM segments to translate certain non-U.S. dollar-denominated earnings at fixed currency exchange rates; (11) certain funding agreement issuances used in a spread lending capacity; (12) the consolidation of certain entities, including investment funds managed by the Company's PGIM business, where the Company's segments have collectively obtained controlling financial interest; (13) Prudential Advisors, Prudential's proprietary nationwide advice organization; (14) the Company's share of earnings in Prismic as well as the invested assets supporting the contracts reinsured with Prismic Re via coinsurance with funds withheld arrangements and the offsetting funds withheld payable; and (15) transactions with and between other segments, including the elimination of intercompany transactions for consolidation purposes.

Segment Accounting Policies. The accounting policies of the segments are the same as those described in Note 2. Results for each segment include earnings on attributed equity established at a level which management considers necessary to support each segment's risks. Operating expenses specifically identifiable to a particular segment are allocated to that segment as incurred.

Following an annual review of its internal expense allocations, the Company implemented an allocation update that will impact segment results; however, there will be no impact to the Company's consolidated results. Effective in 2025, operating expenses not identifiable to a specific segment that are incurred in connection with the generation of segment revenues are generally allocated using a proportional allocation measure such as headcount, segment-level support or other financial measures. Prior to 2025, these expenses were generally allocated based upon the segment's historical percentage of general and administrative expenses.

For information related to the adoption of new accounting pronouncements, see Note 2. The segments' results in prior years have been revised for these items, as applicable, to conform to current year presentation.

Adjusted Operating Income

The Company analyzes the operating performance of each segment using "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 chief executive officer, who is the Company's CODM, and is the measure of segment performance presented below. The CODM uses adjusted operating income to (1) evaluate segment performance; (2) allocate resources and capital, predominantly during the annual budgeting and planning processes; and (3) consider variances to pre-established targets during the compensation process. Adjusted operating income is not a substitute for income determined in accordance with U.S. GAAP, and the Company's definition of adjusted operating income may differ from that used by other companies. The Company, however, believes that the presentation of adjusted operating income as measured for management purposes enhances the understanding of results of operations by highlighting the results from ongoing operations and the underlying profitability factors of its businesses.

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 which are important to an understanding of overall results of operations, and are described in greater detail below:

- 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
- Other adjustments.

Realized investment gains (losses), net, and related charges and adjustments

Realized investment gains (losses), net

Adjusted operating income excludes "Realized investment gains (losses), net," except for certain items described below. Significant activity excluded from adjusted operating income includes impairments and credit-related gains (losses) from sales of securities, the timing of which depends largely on market credit cycles and can vary considerably across periods, and interest rate-related gains (losses) from sales of securities, which are largely subject to the Company's discretion and influenced by market opportunities, as well as the Company's tax and capital profile. Additionally, adjusted operating income excludes realized investment gains (losses) from products that contain embedded derivatives, and from associated derivative portfolios that are part of an asset/liability management program related to the risk of those products, as well as from investment performance of invested assets and embedded derivatives associated with certain coinsurance with funds withheld and modified coinsurance reinsurance arrangements.

The following table sets forth the significant components of "Realized investment gains (losses), net" that are included in adjusted operating income and, as a result, are reflected as adjustments to "Realized investment gains (losses), net" for purposes of calculating adjusted operating income:

	Year Ended December 31,		
	2025	2024	2023
		(in millions)	
Net gains (losses) from(1):			
Terminated hedges of foreign currency earnings	$ 9	$ (11)	$ (32)
Current period yield adjustments	$ 199	$ 216	$ 467
Principal source of earnings	$ 17	$ 50	$ 1

(1) In addition to the items in the table above, "Realized investment gains (losses), net, and related charges and adjustments" also includes an adjustment to reflect "Realized investment gains (losses), net" related to Divested and Run-off Businesses. See "Divested and Run-off Businesses" discussed below.

Terminated Hedges of Foreign Currency Earnings. The amounts shown in the table above primarily reflect the impact of an intercompany arrangement between Corporate and Other operations and the International Businesses segment, pursuant to which the non-U.S. dollar-denominated earnings in all countries for a particular year, including its interim reporting periods, are translated at fixed currency exchange rates. The fixed rates are determined in connection with a currency hedging program designed to mitigate the risk that unfavorable rate changes will reduce the segment's U.S. dollar-equivalent earnings. Pursuant to this program, the Company's Corporate and Other operations may execute forward currency contracts with third parties to sell the net exposure of projected earnings from the hedged currency in exchange for U.S. dollars at a specified exchange rate. The maturities of these contracts correspond with the future periods in which the identified non-U.S. dollar-denominated earnings are expected to be generated. These contracts do not qualify for hedge accounting under U.S. GAAP, so the resulting profits or losses are recorded in "Realized investment gains (losses), net." When the contracts are terminated in the same period that the expected earnings emerge, the resulting positive or negative cash flow effect is included in adjusted operating income.

Current Period Yield Adjustments. The Company uses interest rate and currency swaps and other derivatives to manage interest and currency exchange rate exposures arising from mismatches between assets and liabilities, including duration mismatches. For derivative contracts that do not qualify for hedge accounting treatment, the periodic swap settlements, as well as certain other derivative related yield adjustments are recorded in "Realized investment gains (losses), net," and are included in adjusted operating income to reflect the after-hedge yield of the underlying instruments. In certain instances, when these derivative contracts are terminated or offset before their final maturity, the resulting realized gains or losses are recognized in adjusted operating income over periods that generally approximate the expected terms of the derivatives or underlying instruments in order for adjusted operating income to reflect the after-hedge yield of the underlying instruments. Included in the amounts shown in the table above are gains (losses) on certain derivative contracts that were terminated or offset before their final maturity of $123 million, $140 million and $178 million for the years ended 2025, 2024 and 2023, respectively. As of December 31, 2025, there was a $711 million deferred net gain related to certain derivative contracts that were terminated or offset before their final maturity, primarily within the Individual Retirement Strategies business and International Businesses. Also included in the amounts shown in the table above are fees related to synthetic GICs of $97 million, $100 million and $107 million for the years ended 2025, 2024 and 2023, respectively. Synthetic GICs are accounted for as derivatives under U.S.

GAAP and, therefore, these fees are recorded in "Realized investment gains (losses), net." See Note 5 for additional information regarding synthetic GICs.

Principal Source of Earnings. The Company conducts certain activities for which realized investment gains (losses) are a principal source of earnings for its businesses and are therefore included in adjusted operating income, particularly within the Company's PGIM segment. For example, PGIM's strategic investing business makes investments for sale or syndication to other investors or for placement or co-investment in the Company's managed funds and structured products. The realized investment gains (losses) associated with the sale of these strategic investments, as well as the majority of derivative results, are a principal activity for this business and included in adjusted operating income. In addition, the realized investment gains (losses) associated with loans originated by the Company's commercial mortgage operations, as well as related derivative results and retained mortgage servicing rights, are a principal activity for this business and are therefore included in adjusted operating income.

Adjustments related to Realized investment gains (losses), net

The following table sets forth certain other items excluded from adjusted operating income and reflected as an adjustment to "Realized investment gains (losses), net" for purposes of calculating adjusted operating income:

	Year Ended December 31,		
	2025	2024	2023
		(in millions)	
Net gains (losses) from:			
Investments carried at fair value through net income	$ 692	$ (337)	$ 754
Foreign currency exchange movements	$ 12	$ (76)	$ (123)
Other activities	$ (1)	$ (1)	$ (10)

Investments carried at fair value through net income. The Company has certain investments in its general account portfolios that are carried at fair value with changes in fair value reported in "Other income (loss)." Examples include the Company's investments in equity securities and fixed maturities designated as trading. Consistent with the exclusion of realized investment gains (losses) with respect to other investments managed on a consistent basis, the net gains or losses on these investments are excluded from adjusted operating income.

Foreign Currency Exchange Movements. The Company has certain assets and liabilities for which, under U.S. GAAP, the changes in value, including those associated with changes in foreign currency exchange rates during the period, are recorded in "Other income (loss)." To the extent the foreign currency exposure on these assets and liabilities is economically hedged or considered part of the Company's capital funding strategies for its international subsidiaries, the change in value included in "Other income (loss)" is excluded from adjusted operating income. The insurance liabilities are supported by investments denominated in corresponding currencies, including a significant portion designated as available-for-sale. While these non-yen denominated assets and liabilities are economically hedged, unrealized gains (losses) on available-for-sale investments, including those arising from foreign currency exchange rate movements, are recorded in AOCI under U.S. GAAP, while the non-yen denominated liabilities are remeasured for foreign currency exchange rate movements, with the related change in value recorded in earnings within "Other income (loss)." Due to this non-economic volatility that has been reflected in U.S. GAAP earnings, the change in value recorded within "Other income (loss)" is excluded from adjusted operating income.

Other Activities. The Company excludes certain other items from adjusted operating income that are consistent with similar adjustments described above.

Charges related to realized investment gains (losses), net

Charges that relate to realized investment gains (losses) are also excluded from adjusted operating income, and include the following:

- Policyholder dividends and interest credited to policyholders' account balances that relate to certain life policies that pass back certain realized investment gains (losses) to the policyholder, and reserves for future policy benefits for certain policies that are affected by net realized investment gains (losses); and

- Market value adjustments paid or received upon a contractholder's surrender of certain of the Company's annuity products as these amounts mitigate the net realized investment gains or losses incurred upon the disposition of the underlying invested assets.

Change in value of market risk benefits, net of related hedging gains (losses)

The Company is required to measure all market risk benefits (e.g., living benefit and death benefit guarantees associated with variable annuities) at fair value. In order to enhance the understanding of underlying performance trends, the Company excludes from adjusted operating income "Change in value of market risk benefits, net of related hedging gains (losses)," which reflects the impact from changes in current market conditions. See Note 2 for additional information regarding market risk benefits.

Market experience updates

"Market experience updates" represent the immediate impacts from changes in current market conditions on estimates of profitability and the impact of those changes on reserves, primarily related to variable and universal life products. These amounts are excluded from adjusted operating income, which the Company believes enhances the understanding of underlying performance trends.

Divested and Run-off Businesses

The contribution to income (loss) of Divested and Run-off Businesses that have been or will be sold or exited, including businesses that have been placed in wind down, but that did not qualify for "discontinued operations" accounting treatment under U.S. GAAP, are excluded from adjusted operating income as the results of Divested and Run-off Businesses are not considered relevant to understanding the Company's ongoing operating results.

The Closed Block division is accounted for as a divested business because it consists primarily of certain participating insurance and annuity products that the Company ceased selling at demutualization in 2001. See Note 16 for additional information regarding the Closed Block.

Equity in earnings of joint ventures and other operating entities and earnings attributable to noncontrolling interests

Equity in earnings of joint ventures and other operating entities, on a pre-tax basis, are included in adjusted operating income as these results are a principal source of earnings. These earnings are reflected on a U.S. GAAP basis on an after-tax basis as a separate line on the Company's Consolidated Statements of Operations.

Earnings attributable to noncontrolling interests are excluded from adjusted operating income. Earnings attributable to noncontrolling interests represents the portion of earnings from consolidated entities that relates to the equity interests of minority investors, and are reflected on a U.S. GAAP basis as a separate line on the Company's Consolidated Statements of Operations.

Other adjustments

"Other adjustments" represents all other adjustments that are excluded from adjusted operating income. These primarily include certain components of the consideration for business acquisitions, which are recognized as compensation expense over the requisite service periods.

Reconciliation of select financial information

The tables below present certain financial information that is regularly provided to the CODM for the Company's segments, including revenues and significant benefits and expenses, on an adjusted operating income basis, as well as assets by segment, and the reconciliation of the segment totals to amounts reported in the Consolidated Financial Statements.

	Year Ended December 31, 2025									
		Retirement Strategies								
Select revenues and significant benefits and expenses, on an adjusted operating income basis, by segment	PGIM	Institutional Retirement Strategies	Individual Retirement Strategies (1)	Group Insurance	Individual Life(1)	International Businesses	Corporate and Other(2)	Total Adjusted Operating Income	Total Reconciling Items	Total GAAP Revenues and Pre-tax Income
	(in millions)									
Revenues:										
Premiums	$ 0	$ 10,987	$ 78	$ 5,419	$ 936	$ 11,193	$ (22)	$ 28,591	$ 2,206	$ 30,797
Policy charges and fee income	0	30	1,125	728	2,207	380	(60)	4,410	256	4,666
Net investment income	181	5,150	2,855	543	2,842	6,029	1,338	18,938	2,535	21,473
Asset management fees, commissions and other income	4,050	490	1,483	84	145	546	(1,060)	5,738	(1,900)	3,838
Total revenues	4,231	16,657	5,541	6,774	6,130	18,148	196	57,677	3,097	60,774
Benefits and expenses:										
Policyholders' benefits	0	13,501	264	5,022	2,920	10,198	(6)	31,899		
Interest credited to policyholders' account balances	0	817	1,455	137	733	1,508	54	4,704		
Interest expense	100	60	52	21	1,036	3	840	2,112		
Deferral of acquisition costs	0	(95)	(668)	(4)	(933)	(1,197)	144	(2,753)		
Amortization of DAC	0	24	472	9	433	693	(60)	1,571		
Operating expenses(3)	1,973	273	580	751	529	1,868	799	6,773		
Variable expenses(3)	1,280	106	1,635	457	1,173	1,791	(1)	6,441		
Other benefits and expenses(4)	0	258	19	0	(21)	37	0	293		
Total benefits and expenses	3,353	14,944	3,809	6,393	5,870	14,901	1,770	51,040		
Total pre-tax income	$ 878	$ 1,713	$ 1,732	$ 381	$ 260	$ 3,247	$ (1,574)	$ 6,637	$ (1,981)	$ 4,656
Reconciling items:										
Realized investment gains (losses), net, and related charges and adjustments								(1,618)		
Change in value of market risk benefits, net of related hedging gains (losses)								(475)		
Market experience updates								68		
Divested and Run-off Businesses:										
Closed Block division								(68)		
Other Divested and Run-off Businesses								107		
Equity in earnings of joint ventures and other operating entities and earnings attributable to noncontrolling interests								(20)		
Other adjustments								25		
Total reconciling items								(1,981)		
Total GAAP pre-tax income(5)								$ 4,656		

Select revenues and significant benefits and expenses, on an adjusted operating income basis, by segment	Year Ended December 31, 2024									
		Retirement Strategies								
	PGIM	Institutional Retirement Strategies	Individual Retirement Strategies (1)	Group Insurance	Individual Life(1)	International Businesses	Corporate and Other(2)	Total Adjusted Operating Income	Total Reconciling Items	Total GAAP Revenues and Pre-tax Income
	(in millions)									
Revenues:										
Premiums	$ 0	$ 22,947	$ 76	$ 5,129	$ 957	$ 11,656	$ (20)	$ 40,745	$ 2,152	$ 42,897
Policy charges and fee income	0	33	1,234	678	2,065	324	(57)	4,277	21	4,298
Net investment income	15	4,674	2,110	530	3,089	5,723	1,234	17,375	2,534	19,909
Asset management fees, commissions and other income	4,077	541	1,705	90	84	222	(1,063)	5,656	(2,355)	3,301
Total revenues	4,092	28,195	5,125	6,427	6,195	17,925	94	68,053	2,352	70,405
Benefits and expenses:										
Policyholders' benefits	0	25,752	141	4,801	3,095	10,248	(19)	44,018		
Interest credited to policyholders' account balances	0	664	1,039	149	803	1,210	84	3,949		
Interest expense	105	31	84	11	1,113	(2)	677	2,019		
Deferral of acquisition costs	(1)	(80)	(641)	(28)	(901)	(1,138)	188	(2,601)		
Amortization of DAC	2	11	394	6	442	646	(56)	1,445		
Operating expenses(3)	1,841	231	578	734	591	1,793	1,102	6,870		
Variable expenses(3)	1,270	106	1,759	440	1,125	1,661	(99)	6,262		
Other benefits and expenses(4)	0	(376)	8	0	132	401	0	165		
Total benefits and expenses	3,217	26,339	3,362	6,113	6,400	14,819	1,877	62,127		
Total pre-tax income	$ 875	$ 1,856	$ 1,763	$ 314	$ (205)	$ 3,106	$ (1,783)	$ 5,926	$ (2,717)	$ 3,209
Reconciling items:										
Realized investment gains (losses), net, and related charges and adjustments								(2,150)		
Change in value of market risk benefits, net of related hedging gains (losses)								(397)		
Market experience updates								(52)		
Divested and Run-off Businesses:										
Closed Block division								(113)		
Other Divested and Run-off Businesses								30		
Equity in earnings of joint ventures and other operating entities and earnings attributable to noncontrolling interests								(16)		
Other adjustments								(19)		
Total reconciling items								(2,717)		
Total GAAP pre-tax income(5)								$ 3,209		

Select revenues and significant benefits and expenses, on an adjusted operating income basis, by segment	Year Ended December 31, 2023									
		Retirement Strategies								
	PGIM	Institutional Retirement Strategies	Individual Retirement Strategies (1)(2)	Group Insurance	Individual Life(1)	International Businesses	Corporate and Other(2)	Total Adjusted Operating Income	Total Reconciling Items	Total GAAP Revenues and Pre-tax Income
	(in millions)									
Revenues:										
Premiums	$ 0	$ 6,342	$ 86	$ 5,024	$ 969	$ 12,819	$ (16)	$ 25,224	$ 2,140	$ 27,364
Policy charges and fee income	0	33	1,247	674	2,015	308	(53)	4,224	303	4,527
Net investment income	268	4,180	1,454	512	2,860	5,289	730	15,293	2,572	17,865
Asset management fees, commissions and other income	3,370	475	1,745	75	430	266	(612)	5,749	(1,526)	4,223
Total revenues	3,638	11,030	4,532	6,285	6,274	18,682	49	50,490	3,489	53,979
Benefits and expenses:										
Policyholders' benefits	0	8,759	134	4,703	3,295	11,057	(11)	27,937		
Interest credited to policyholders' account balances	0	552	560	166	912	943	113	3,246		
Interest expense	113	1	72	8	898	23	639	1,754		
Deferral of acquisition costs	(2)	(75)	(379)	(3)	(768)	(1,198)	97	(2,328)		
Amortization of DAC	2	16	349	9	456	622	(37)	1,417		
Operating expenses(3)	1,771	199	552	743	481	1,935	1,354	7,035		
Variable expenses(3)	1,041	84	1,418	340	981	1,728	(72)	5,520		
Other benefits and expenses(4)	0	(201)	8	0	114	389	0	310		
Total benefits and expenses	2,925	9,335	2,714	5,966	6,369	15,499	2,083	44,891		
Total pre-tax income	$ 713	$ 1,695	$ 1,818	$ 319	$ (95)	$ 3,183	$ (2,034)	$ 5,599	$ (2,527)	$ 3,072
Reconciling items:										
Realized investment gains (losses), net, and related charges and adjustments								(2,510)		
Change in value of market risk benefits, net of related hedging gains (losses)								56		
Market experience updates								110		
Divested and Run-off Businesses:										
Closed Block division								(100)		
Other Divested and Run-off Businesses								21		
Equity in earnings of joint ventures and other operating entities and earnings attributable to noncontrolling interests								(68)		
Other adjustments								(36)		
Total reconciling items								(2,527)		
Total GAAP pre-tax income(5)								$ 3,072		

(1) The Individual Retirement Strategies and Individual Life segments' results reflect DAC as if the business is a stand-alone operation. The elimination of intersegment costs capitalized in accordance with this policy is included in consolidating adjustments within Corporate and Other operations.

(2) Corporate and Other operations, through Prudential Advisors, generates fee revenues from the sale and distribution of certain insurance, annuity and investment products offered by Prudential and third parties.

(3) "Operating expenses" includes amounts related to salaries, employee benefits, occupancy, technology, consulting, external and contracted services, legal, corporate charges, costs for initiatives, and other miscellaneous expenses. "Variable expenses" includes commissions, certain compensation related to levels of investment performance, premium taxes and other fees related to sales of certain insurance and investment products.

(4) "Other benefits and expenses" primarily includes: (i) the change in estimates of liability for future policy benefits, which can be either positive or negative, for Retirement Strategies, Individual Life and International Businesses; (ii) dividends to policyholders for Individual Life and International Businesses, which are included in adjusted operating income; and (iii) dividends to policyholders in the Closed Block Division, which are not included in adjusted operating income.

(5) Reflects "Income (loss) before income taxes and equity in earnings of joint ventures and other operating entities".

	As of December 31,	
	2025	2024
	(in millions)	
Assets by segment:		
PGIM	$ 39,103	$ 36,044
U.S. Businesses:		
Institutional Retirement Strategies	135,131	126,842
Individual Retirement Strategies	161,309	150,151
Retirement Strategies	296,440	276,993
Group Insurance	41,292	39,340
Individual Life	131,141	122,590
Total U.S. Businesses	468,873	438,923
International Businesses	187,770	180,038
Corporate and Other	29,899	31,767
Closed Block division	48,095	48,815
Total assets per Consolidated Statements of Financial Position	$ 773,740	$ 735,587

Revenues, calculated in accordance with U.S. GAAP, for the years ended December 31, include the following by geographic location that are 10 percent or more of the Company's total consolidated revenue:

	2025	2024	2023
		(in millions)	
United States	$ 36,801	$ 48,568	$ 31,031
Japan	13,487	13,760	15,538
Other countries	10,486	8,077	7,410
Total PFI consolidated revenue	$ 60,774	$ 70,405	$ 53,979

Intersegment revenues

Management has determined the intersegment revenues with reference to market rates. Intersegment revenues are eliminated in consolidation in the Company's Corporate and Other operations. The PGIM segment revenues include intersegment revenues, primarily consisting of asset-based management and administration fees, for the years ended December 31, as follows:

	2025	2024	2023
		(in millions)	
PGIM segment intersegment revenues	$ 905	$ 837	$ 796

Segments may also enter into internal derivative contracts with other segments. For adjusted operating income, each segment accounts for the internal derivative results consistent with the manner in which that segment accounts for other similar external derivatives.

Asset management and service fees

The table below presents asset management and service fees, predominantly related to investment management activities, for the periods indicated:

	2025	2024	2023
		(in millions)	
Asset-based management fees	$ 3,440	$ 3,386	$ 3,169
Performance-based incentive fees	94	198	45
Other fees	485	506	503
Total asset management and service fees	$ 4,019	$ 4,090	$ 3,717

24. RELATED PARTY TRANSACTIONS

In September 2023, the Company invested approximately $200 million in Prismic, a Bermuda-exempted limited partnership that owns all of the outstanding capital stock of Prismic Re, a licensed Bermuda-based life and annuity reinsurance company. Also in September 2023, the Company entered into an agreement with Prismic Re, to reinsure approximately $9 billion of reserves for certain structured settlement annuity contracts issued by PICA, a wholly-owned subsidiary of Prudential Financial. Separately, the Company, through PGIM, entered into an investment management agreement with Prismic to manage a large portion of Prismic Re's assets.

In March 2025, the Company entered into an agreement with Prismic Re International, a wholly-owned subsidiary of Prismic, to reinsure approximately $7 billion of reserves for certain USD-denominated Japanese whole life policies originated by the Company's Japanese affiliates. In connection with this transaction, the Company invested an additional $103 million in Prismic. PGIM also provides investment management services on a large portion of Prismic Re International's assets.

In October 2025, the Company entered into an agreement with Prismic Re, to reinsure certain fixed annuity new business contracts issued by Pruco Life, a wholly-owned subsidiary of Prudential Financial, on or after October 1, 2025.

As of December 31, 2025 and 2024, the Company's ownership in Prismic is approximately 20% and the carrying value of the Company's investment is approximately $200 million. As the investment in Prismic is accounted for under the equity method, Prismic, Prismic Re and Prismic Re International are considered related parties. The following tables summarize the impacts to the Company's financial statements related to the agreements that the Company entered with Prismic, Prismic Re and Prismic Re International.

The related party balances with Prismic, Prismic Re and Prismic Re International impacted the Company's balance sheet as of the periods indicated as follows:

	December 31, 2025	December 31, 2024
	(in millions)	
Reinsurance recoverables and deposit receivables	$ 15,581	$ 9,084
Other assets	$ 162	$ 187
Reinsurance and funds withheld payables (includes $194 and $(91) of embedded derivatives at fair value at December 31, 2025 and 2024, respectively)	$ 7,980	$ 7,796
Accumulated other comprehensive income (loss)	$ (128)	$ (139)

The Company has agreed to guarantee Prismic Re's reimbursement obligations on letters of credit that may be obtained by Prismic Re from third-party financial institutions to support Prismic Re's obligations under the reinsurance agreement with the Company for a total amount up to $2.0 billion as of both December 31, 2025 and 2024. As part of the transaction with Prismic Re International, the Company provided an $80 million, 10-year contingent debt facility, where the Company may be required to purchase subordinated debt from certain subsidiaries of Prismic in the event their capital ratio falls below a predetermined level. In November 2025, the Company committed to Prismic Re $320 million of additional capital, intended to fund future transactions executed by Prismic, that is required to be fully funded by the end of the second quarter of 2027. This commitment is part of a broader capital commitment, involving third-party investors in Prismic, and will allow the Company to retain its approximately 20% equity ownership in Prismic. See Note 25 for additional information on the Company's guarantees and commitments.

The related party activity with Prismic, Prismic Re and Prismic Re International impacted the Company's results of operations and cash flows for the periods indicated as follows:

	Years Ended December 31,		
	2025	2024	2023
	(in millions)		
Premiums	$ (19)	$ 6	$ (4,811)
Asset management and service fees	61	38	10
Other income (loss)	353	150	52
Realized investment gains(losses), net	(509)	255	(491)
Policyholders' benefits	(281)	(281)	(4,915)
Change in estimates of liability for future policy benefits	(20)	7	5
Amortization of deferred policy acquisition costs	(9)	0	0
General and administrative expenses	40	48	3
Income (loss) from related parties, before income taxes	156	675	(333)
Other comprehensive income (loss), before tax	11	(473)	335
Total comprehensive income (loss), before tax	$ 167	$ 202	$ 2

	Years Ended December 31,		
	2025	2024	2023
	(in millions)		
CASH FLOWS FROM OPERATING ACTIVITIES			
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Realized investment (gains) losses, net	$ 509	$ (255)	$ 491
Change in:			
Deferred policy acquisition costs	$ (9)	$ 0	$ 0
Reinsurance related-balances	$ (843)	$ (743)	$ (235)
Other, net	$ 26	$ 16	$ 29
CASH FLOWS FROM INVESTING ACTIVITIES			
Other, net	$ (64)	$ 0	$ 0
CASH FLOWS FROM FINANCING ACTIVITIES			
Other, net	$ 336	$ 374	$ 3

See the Consolidated Statements of Cash Flows for information regarding significant non-cash transactions with Prismic Re and Prismic Re International.

25. COMMITMENTS AND CONTINGENT LIABILITIES

Commitments and Guarantees

Commercial Mortgage Loan Commitments

	As of December 31,	
	2025	2024
	(in millions)	
Total outstanding mortgage loan commitments	$ 1,851	$ 2,552
Portion of commitment where prearrangement to sell to investor exists	$ 352	$ 578

The Company originates commercial mortgage loans as part of its commercial mortgage operations. Commitments for loans that will be held for sale are recognized as derivatives and recorded at fair value. In certain of these transactions, the Company prearranges that it will sell the loan to an investor, including to government sponsored entities as discussed below, after the Company funds the loan. The above amount includes unfunded commitments that are not unconditionally cancellable. For related credit exposure, there was an allowance for credit losses of $5 million and $2 million as of December 31, 2025 and 2024, respectively. The change in allowance is $3 million and $1 million for the years ended December 31, 2025 and 2024, respectively.

Commitments to Purchase Investments (excluding Commercial Mortgage Loans)

	As of December 31,	
	2025	2024
	(in millions)	
Expected to be funded from the general account and other operations outside the separate accounts	$ 13,205	$ 11,664
Expected to be funded from separate accounts	$ 339	$ 0

The Company has other commitments to purchase or fund investments, some of which are contingent upon events or circumstances not under the Company's control, including those at the discretion of the Company's counterparties. The Company anticipates a portion of these commitments will ultimately be funded from its separate accounts. The above amount includes unfunded commitments that are not unconditionally cancellable. There were no related charges for credit losses for the years ended December 31, 2025 or 2024. Additionally, the above amount includes an unfunded commitment of $320 million to Prismic Re, intended to fund future transactions executed by Prismic, that is required to be fully funded by the end of the second quarter of 2027. See Note 24 for additional information regarding the related party relationship between the Company and Prismic Re.

Indemnification of Securities Lending and Securities Repurchase Transactions

	As of December 31,	
	2025	2024
	(in millions)	
Indemnification provided to certain clients for securities lending and securities repurchase transactions(1)	$ 4,459	$ 5,015
Fair value of related collateral associated with above indemnifications(1)	$ 4,558	$ 5,119
Accrued liability associated with guarantee	$ 0	$ 0

(1) Includes $0 million and $240 million related to securities repurchase transactions as of December 31, 2025 and December 31, 2024, respectively.

In the normal course of business, the Company may facilitate securities lending or securities repurchase transactions on behalf of certain client accounts (collectively, "the accounts"). In certain of these arrangements, the Company has provided an indemnification to the accounts to hold them harmless against losses caused by counterparty (i.e., borrower) defaults associated with such transactions facilitated by the Company. In securities lending transactions, collateral is provided by the counterparty to the accounts at the inception of the transaction in an amount at least equal to 102% of the fair value of the loaned securities and the collateral is maintained daily to equal at least 102% of the fair value of the loaned securities. In securities repurchase transactions, collateral is provided by the counterparty to the accounts at the inception of the transaction in an amount at least equal to 95% of the fair value of the securities subject to repurchase and the collateral is maintained daily to equal at least 95% of the fair value of the securities subject to repurchase. The Company is only at risk if the counterparty to the transaction defaults and the value of the collateral held is less than the value of the securities loaned to, or subject to repurchase from, such counterparty. The Company believes the possibility of any payments under these indemnities is remote.

Credit Derivatives Written

As discussed further in Note 5, the Company writes credit derivatives under which the Company is obligated to pay the counterparty the referenced amount of the contract and receive in return the defaulted security or similar security.

Guarantees of Asset Values

	As of December 31,	
	2025	2024
	(in millions)	
Guaranteed value of third parties' assets	$ 75,883	$ 76,416
Fair value of collateral supporting these assets	$ 73,511	$ 71,423
Asset (liability) associated with guarantee, carried at fair value	$ 0	$ (1)

Certain contracts underwritten by the Retirement Strategies segment include guarantees related to financial assets owned by the guaranteed party. These contracts are accounted for as derivatives and carried at fair value. The collateral supporting these guarantees is not reflected on the Consolidated Statements of Financial Position.

Indemnification of Serviced Mortgage Loans

	As of December 31,	
	2025	2024
	(in millions)	
Maximum exposure under indemnification agreements for mortgage loans serviced by the Company	$ 3,717	$ 3,272
First-loss exposure portion of above	$ 1,068	$ 942
Accrued liability associated with guarantees(1)	$ 24	$ 25

(1) The accrued liability associated with guarantees includes an allowance for credit losses of $11 million and $12 million as of December 31, 2025 and 2024, respectively. The change in allowance is a reduction of $1 million and $2 million for the years ended December 31, 2025 and 2024, respectively.

As part of the commercial mortgage activities of the Company's PGIM segment, the Company provides commercial mortgage origination, underwriting and servicing for certain government sponsored entities, such as Fannie Mae and Freddie Mac. The Company has agreed to indemnify the government sponsored entities for a portion of the credit risk associated with certain of the mortgages it services through a delegated authority arrangement. Under these arrangements, the Company originates multi-family mortgages for sale to the government sponsored entities based on underwriting standards they specify, and makes payments to them for a specified percentage share of losses they incur on certain loans serviced by the Company. The Company's percentage share of losses incurred generally varies from 4% to 20% of the loan balance, and is typically based on a first-loss exposure for a stated percentage of the loan balance, plus a shared exposure with the government sponsored entity for any losses in excess of the stated first-loss percentage, subject to a contractually specified maximum percentage. The Company determines the liability related to this exposure using historical loss experience, and the size and remaining life of the asset. The Company serviced $28,275 million and $25,763 million of mortgages subject to these loss-sharing arrangements as of December 31, 2025 and 2024, respectively, all of which are collateralized by first priority liens on the underlying multi-family residential properties. As of December 31, 2025, these mortgages had a weighted-average debt service coverage ratio of 1.93 times and a weighted-average loan-to-value ratio of 62%. As of December 31, 2024, these mortgages had a weighted-average debt service coverage ratio of 1.95 times and a weighted-average loan-to-value ratio of 62%. The Company had no losses related to indemnifications that were settled during the years ended December 31, 2025 and 2024.

Other Guarantees

	As of December 31,	
	2025	2024
	(in millions)	
Other guarantees where amount can be determined	$ 290	$ 289
Accrued liability for other guarantees and indemnifications	$ 31	$ 32

The Company is also subject to other financial guarantees and indemnity arrangements. The Company has provided indemnities and guarantees related to acquisitions, dispositions, investments and other transactions that are triggered by, among other things, breaches of representations, warranties or covenants provided by the Company. These obligations are typically subject to various time limitations, defined by the contract or by operation of law, such as statutes of limitation. In some cases, the maximum potential obligation is subject to contractual limitations, while in other cases such limitations are not specified or applicable. This includes guarantees issued on $1.5 billion of standby committed letters of credit and $0.5 billion of standby uncommitted letters of credit that may be obtained by Prismic Re from third-party financial institutions, for the benefit of PICA as beneficiary, to support U.S. statutory reserve credit related to a reinsurance agreement with PICA. As of December 31, 2025, no letters of credit have been issued to PICA under the facility, and the likelihood of PICA drawing upon them is remote. The guarantees are renewable on an annual basis. The current value of the guarantees is estimated to be immaterial. See Note 24 for additional information regarding the related party relationship between the Company and Prismic Re and Note 15 for additional information regarding the Company's reinsurance transactions.

Since certain of these obligations are not subject to limitations, it is not possible to determine the maximum potential amount due under these guarantees. The accrued liability identified above relates to the sale of The Prudential Life Insurance Company of Taiwan Inc. ("POT") and represents a financial guarantee of certain insurance obligations of POT.

Insolvency Assessments

Most of the jurisdictions in which the Company is admitted to transact business require insurers doing business within the jurisdiction to participate in guarantee associations, which are organized to pay contractual benefits owed pursuant to insurance policies issued by impaired, insolvent or failed insurers. These associations levy assessments, up to prescribed limits, on all member insurers in a particular state on the basis of the proportionate share of the premiums written by member insurers in the lines of business in which the impaired, insolvent or failed insurer engaged. Some states permit member insurers to recover assessments paid through full or partial premium tax offsets. In addition, Japan has established the Japan Policyholders Protection Corporation as a contingency to protect policyholders against the insolvency of life insurance companies in Japan through assessments to companies licensed to provide life insurance.

Assets and liabilities held for insolvency assessments were as follows:

	As of December 31,	
	2025	2024
	(in millions)	
Other assets:		
Premium tax offset for future undiscounted assessments	$ 5	$ 25
Premium tax offset currently available for paid assessments	69	62
Total	$ 74	$ 87
Other liabilities:		
Insolvency assessments	$ 5	$ 29

Contingent Liabilities

On an ongoing basis, the Company and its regulators review its operations including, but not limited to, sales and other customer interface procedures and practices, and procedures for meeting obligations to its customers and other parties. These reviews may result in the modification or enhancement of processes or the imposition of other action plans, including concerning management oversight, sales and other customer interface procedures and practices, and the timing or computation of payments to customers and other parties. In certain cases, if appropriate, the Company may offer customers or other parties remediation and may incur charges, including the cost of such remediation, administrative costs and regulatory fines.

The Company is subject to the laws and regulations of states and other jurisdictions concerning the identification, reporting and escheatment of unclaimed or abandoned funds, and is subject to audit and examination for compliance with these requirements.

It is possible that the results of operations or the cash flow of the Company in a particular quarterly or annual period could be materially affected as a result of payments in connection with the matters discussed above or other matters depending, in

part, upon the results of operations or cash flow for such period. Management believes, however, that ultimate payments in connection with these matters, after consideration of applicable reserves and rights to indemnification, should not have a material adverse effect on the Company's financial position.

Litigation and Regulatory Matters

The Company is subject to legal and regulatory actions in the ordinary course of its businesses. Pending legal and regulatory actions include proceedings relating to aspects of the Company's businesses and operations that are specific to it and proceedings that are typical of the businesses in which it operates, including in both cases businesses that have been either divested or placed in wind-down status. Some of these proceedings have been brought on behalf of various alleged classes of complainants. In certain of these matters, the plaintiffs are seeking large and/or indeterminate amounts, including punitive or exemplary damages. The outcome of litigation or a regulatory matter, and the amount or range of potential loss at any particular time, is often inherently uncertain.

The Company establishes accruals for litigation and regulatory matters when it is probable that a loss has been incurred and the amount of that loss can be reasonably estimated. For litigation and regulatory matters where a loss may be reasonably possible, but not probable, or is probable but not reasonably estimable, no accrual is established but the matter, if potentially material, is disclosed, including matters discussed below. The Company estimates that as of December 31, 2025, the aggregate range of reasonably possible losses in excess of accruals established for those litigation and regulatory matters for which such an estimate currently can be made is less than $250 million. Any estimate is not an indication of expected loss, if any, or the Company's maximum possible loss exposure on such matters. The Company reviews relevant information with respect to its litigation and regulatory matters on a quarterly and annual basis and updates its accruals, disclosures and estimates of reasonably possible loss based on such reviews.

Labor and Employment Matters

Prudential of Brazil Labor and Employment Matters

Prudential of Brazil ("POB") sells insurance products to consumers through life planner franchisees ("Life Planners"), who are engaged as independent life insurance brokers and not as employees. When a Life Planner's contractual relationship with POB is terminated, in many cases the Life Planner commences a labor suit against POB alleging entitlement to employment related benefits. POB is a defendant in numerous such lawsuits in Brazil brought by former Life Planners and has been subject to regulatory actions challenging the validity of POB's franchise model. POB has continued to receive additional labor suits and regulatory actions involving the operation of its franchise model notwithstanding steps that POB has taken to attempt to mitigate the labor risk by modifying its franchise model. POB continues to modify its franchise model to further mitigate this risk.

Individual Annuities, Individual Life and Group Insurance

California Advocates for Nursing Home Reform v. The Prudential Insurance Company of America and Pruco Life Insurance Company, et al.

In January 2024, a putative class action complaint entitled *California Advocates for Nursing Home Reform v. The Prudential Insurance Company of America and Pruco Life Insurance Company, et al.,* was filed in California Superior Court, Alameda County, alleging that the Company has failed to comply with California laws requiring that life insurance policies issued or delivered in California: (i) provide for a contractual 60-day grace period pre-lapse during which a policy must stay in force; (ii) provide policyholders and designees with notice of payment default within 30 days and a 30-day advance written notice of pending lapse; and (iii) notify policyholders annually of their right to designate additional recipients for lapse notices. The complaint asserts claims for violation of California's Unfair Competition law ("UCL") and seeks unspecified damages along with declaratory and injunctive relief. In February 2024, defendants removed the action from California state court to the United States District Court for the Northern District of California. Plaintiff filed a motion to remand the action to the California Superior Court, Alameda County, and in December 2024, the motion was granted. In April 2025, Plaintiff filed a First Amended Complaint removing allegations related to the Unclaimed Life Insurance and Annuities Act, and the Defendant filed a demurrer seeking to dismiss the Amended Complaint. In October 2025, the court issued an Order: (i) sustaining Defendant's demurrer as to Plaintiff's declaratory relief claim, and (ii) denying the demurrer as to the UCL claim.

Escheatment Litigation

Total Asset Recovery Services, LLC v. MetLife, Inc., et al., Prudential Financial, Inc., The Prudential Insurance Company of America, and Prudential Insurance Agency, LLC

In December 2017, Total Asset Recovery Services, LLC, on behalf of the State of New York, filed a Second Amended Complaint in the Supreme Court of the State of New York, County of New York, against, among other 19 defendants, Prudential Financial, Inc., The Prudential Insurance Company of America and Prudential Insurance Agency, LLC, alleging that the Company failed to escheat life insurance proceeds in violation of the New York False Claims Act. The second amended complaint seeks injunctive relief, compensatory damages, civil penalties, treble damages, prejudgment interest, attorneys' fees and costs. In May 2018, defendants filed a motion to dismiss the Second Amended Complaint. In April 2019, defendants' motion to dismiss the Second Amended Complaint was granted and plaintiff subsequently filed a Notice of Appeal with the New York State Supreme Court, First Department. In December 2020, the New York Supreme Court, First Department, reversed and vacated the judgment of the trial court and granted leave to plaintiff to file a third amended complaint. In March 2021, the plaintiff filed a third amended complaint asserting claims against all defendants for violation of the New York False Claims Act, and seeking injunctive relief, compensatory and treble damages, attorneys' fees and costs. In January 2023, the plaintiff filed a Fourth Amended Complaint. In March 2023, defendants filed a motion to dismiss the Fourth Amended Complaint. In October 2024, defendants' motion to dismiss the Fourth Amended Complaint was denied. In December 2024, defendants filed an Answer to the Fourth Amended Complaint.

Securities Litigation

Donel Davidson v. Charles F. Lowrey, et al.

In September 2020, a shareholder derivative complaint entitled *Pekin Police Pension Fund, Derivatively on Behalf of Prudential Financial, Inc. v. Charles F. Lowrey, et al*., was filed in the United States District Court for the District of New Jersey (the "Derivative Complaint") against PFI as a "nominal" defendant, PFI's chairman and chief executive officer, vice chairman, chief financial officer, certain former officers of PFI, and all of the current outside directors of PFI's Board. The Derivative Complaint asserts claims for federal securities law violations, breach of fiduciary duty, waste of corporate assets, and unjust enrichment, and alleges that: (i) the Company's reserve assumptions failed to account for adversely developing mortality experience in the Individual Life business segment; (ii) the Company's reserves were insufficient to satisfy its future policy benefit liabilities; (iii) the Company materially understated its liabilities and overstated net income due to flawed assumptions in calculating mortality experience; and (iv) the individual defendants breached their duty of care and loyalty to the Company by allowing the alleged improper activity. In December 2020, the court issued an order substituting Donel Davidson for Pekin Police Pension Fund as the named plaintiff. In March 2021, the court issued an order consolidating this action with *Robert Lalor, Derivatively on behalf of Prudential Financial, Inc. v. Charles F. Lowrey, et al*. under the caption *In re Prudential Financial, Inc. Derivative Litigation*. In May 2021, the Company filed a motion to dismiss the complaint. In March 2025, plaintiffs filed a motion seeking preliminary approval of the settlement notice and preliminary approval of the proposed settlement of the derivative litigation ("the Settlement"). In April 2025, the court issued an order granting the motion for preliminary approval of the Settlement. In June 2025, the court granted final approval of the Settlement and issued a final judgment dismissing the action with prejudice. This matter is now closed.

Daniel Plaut v. Prudential Financial, Inc.

In October 2020, a shareholder derivative complaint entitled *Daniel Plaut, Derivatively on Behalf of Prudential Financial, Inc. v. Charles F. Lowrey, et al*., was filed in the Superior Court of New Jersey, Law Division, Essex County (the "Derivative Complaint") against PFI as a "nominal" defendant, PFI's chairman and chief executive officer, vice chairman, and all of the current outside directors of PFI's Board. The Derivative Complaint asserts claims for breach of fiduciary duty, unjust enrichment, and abuse of control and alleges that: (i) the Company's reserve assumptions failed to account for adversely developing mortality experience in the Individual Life business segment; (ii) the Company's reserves were insufficient to satisfy its future policy benefit liabilities; (iii) the Company materially understated its liabilities and overstated net income due to flawed assumptions in calculating mortality experience; and (iv) the individual defendants engaged in corporate misconduct, mismanagement and waste through their participation in the alleged wrongdoing. In September 2024, the court issued an order consolidating this action with *Kevin M. Frost et al. v. Prudential Financial, Inc.*, under the caption *In re Prudential Financial, Inc. Derivative Litigation*. In July 2025, the parties entered into a Stipulation of Dismissal with Prejudice. This matter is now closed.

Shareholder Demands

In January 2020, the Board of Directors received a shareholder demand letter containing allegations: (i) of wrongdoing similar to those alleged in the City of Warren and Crawford complaints; and (ii) that certain of the Company's current and former directors and executive officers breached their fiduciary duties of loyalty, due care and candor. The demand letter requests that the Board of Directors investigate and commence legal proceedings against the named individuals to recover for the Company's benefit the damages purportedly sustained by the Company as a result of the alleged breaches. In February 2020, the Board of Directors authorized the creation of a special committee to investigate the allegations set forth in the shareholder demand letter. In April 2020, the Company received additional shareholder demands raising allegations similar to those contained in the January 2020 demand, and may be subject prospectively to additional activity relating to these matters. In January 2021, the special committee completed its investigation, and in February 2021, the Board provided notice rejecting the shareholder demands and dissolved the special committee. This matter is now closed.

Other Matters

Cho v. PICA, et al.

In November 2019, a putative class action complaint entitled Cho v. The Prudential Insurance Company of America, et. al., was filed in the United States District Court for the District of New Jersey. The Complaint purports to be brought on behalf of participants in the Prudential Employee Savings Plan (the "Plan") and (i) alleges that defendants failed to fulfill their fiduciary obligations under the Employee Retirement Income Security Act of 1974, in the administration, management and operation of the Plan, including engaging in prohibited transactions; and (ii) seeks declaratory, injunctive and equitable relief, and unspecified damages including interest, attorneys' fees and costs. In January 2020, defendants filed a motion to dismiss the complaint. In September 2020, plaintiff filed an amended complaint and added as individual defendants certain PFI officers and current and former members of the Company's Administrative Committee and Investment Oversight Committee. In December 2020, defendants filed a motion to dismiss the amended complaint. In September 2021, the court granted defendants' motion to dismiss the amended complaint without prejudice. In October 2021, plaintiff filed a second amended complaint asserting claims against defendants under the Employee Retirement Income Security Act of 1974 for breach of fiduciary duty, prohibited transactions and failure to monitor fiduciaries. The second amended complaint seeks declaratory, injunctive and equitable relief, unspecified damages, attorneys' fees and costs. In December 2021, defendants filed a motion to dismiss the second amended complaint. In August 2022, the court: (i) dismissed, with prejudice, the breach of the fiduciary duty of loyalty and prohibited transaction claims based on the inclusion of Prudential-affiliated funds in the Plan's investment options; (ii) dismissed, without prejudice, the breach of fiduciary duty claims based on certain alleged underperforming Plan funds; and (iii) denied the motion to dismiss plaintiffs' claims for breach of the fiduciary duties of prudence and to monitor other fiduciaries, based on alleged delays in removing other alleged underperforming funds. In September 2022, plaintiff filed a third amended complaint asserting claims for breach of duty of prudence and to monitor fiduciaries, and in October 2022, defendants filed their answer to the third amended complaint. In May 2023, plaintiff filed a motion for class certification. In August 2023, the court issued an Order granting plaintiff's class certification motion. In January 2024, by an October 2023 court Order, defendants submitted to plaintiffs their summary judgment brief. In December 2024, the court issued an order granting Prudential's motion for summary judgment. In January 2025, plaintiff filed a Notice of Appeal to the Third Circuit. In January 2026, the Third Circuit Court of Appeals affirmed the District Court's order granting defendant's summary judgment motion.

Optimum Communications, Inc., et al. v. Apollo Capital Management, L.P., et al.

In November 2025, a complaint entitled *Optimum Communications, Inc., et al. v. Apollo Capital Management, L.P., et al.* was filed in the United States District Court for the Southern District of New York. The Complaint alleges that defendant asset managers, including PGIM, Inc., seven other unaffiliated asset managers, and "Doe Entities" that are currently unknown to plaintiffs, violated federal and New York state antitrust laws by entering into a cooperation agreement and collectively negotiating with Optimum Communications, Inc. ("Optimum") concerning the terms for any future restructurings or financings. Optimum alleges this same conduct also breached the credit agreement and indentures governing its debt and breached the implied covenant of good faith and fair dealing. The complaint seeks declaratory and injunctive relief, unspecified compensatory, treble, and punitive damages, attorneys' fees, and costs. In February 2026, defendants filed a motion to dismiss the complaint.

Regulatory

Prudential of Japan Matter

In January 2026, Prudential of Japan, a Japanese insurance subsidiary of the Company, reported the findings of its internal investigation into sales practice misconduct involving certain employees. In February 2026, in consultation with the Japanese insurance regulator, the Company voluntarily suspended new sales activity at Prudential of Japan for a 90-day period commencing February 9, 2026. The matter remains ongoing and the Company is continuing to engage with the Japanese insurance regulator.

Civil Investigative Demand

The Company has received a civil investigative demand and other inquiries related to the appropriateness of Assurance IQ's supplemental health product sales and marketing activity. The Company is cooperating with regulators and may become subject to additional regulatory inquiries and other investigations and actions related to this matter. In August 2025, the Company settled this matter with the Federal Trade Commission ("FTC"), and agreed, as Assurance's guarantor, to: (1) pay the FTC for consumer redress; and (2) certain restrictions regarding practices and compliance reporting involving Assurance, if Assurance commences any prospective operation as an insurance provider. In reaching the settlement, the Company neither admitted nor denied any wrongdoing. This matter is now closed.

Summary

The Company's litigation and regulatory matters are subject to many uncertainties, and given their complexity and scope, their outcome cannot be predicted. It is possible that the Company's results of operations or cash flow in a particular quarterly or annual period could be materially affected by an ultimate unfavorable resolution of pending litigation and regulatory matters depending, in part, upon the results of operations or cash flow for such period. In light of the unpredictability of the Company's litigation and regulatory matters, it is also possible that in certain cases an ultimate unfavorable resolution of one or more pending litigation or regulatory matters could have a material adverse effect on the Company's financial statements. Management believes, however, that, based on information currently known to it, the ultimate outcome of all pending litigation and regulatory matters, after consideration of applicable reserves and rights to indemnification, is not likely to have a material adverse effect on the Company's financial statements.

26. SUBSEQUENT EVENTS

Common Stock Dividend

On February 3, 2026, Prudential Financial's Board of Directors declared a cash dividend of $1.40 per share of Common Stock, payable on March 12, 2026 to shareholders of record as of February 17, 2026.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

Management's Annual Report on Internal Control Over Financial Reporting and the report of the Company's independent registered public accounting firm on the effectiveness of internal control over financial reporting as of December 31, 2025 are included in Part II, Item 8 of this Annual Report on Form 10-K.

In order to ensure that the information we must disclose in our filings with the SEC is recorded, processed, summarized, and reported on a timely basis, the Company's management, including our Chief Executive Officer and Chief Financial Officer, have reviewed and evaluated the effectiveness of our disclosure controls and procedures, as defined in Exchange Act Rule 13a-15(e), as of December 31, 2025. Based on such evaluation, the Chief Executive Officer and Chief Financial Officer have concluded that, as of December 31, 2025, our disclosure controls and procedures were effective. No change in our internal control over financial reporting, as defined in Exchange Act Rule 13a-15(f), occurred during the quarter ended December 31, 2025, that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

Company Trading Plans or other Arrangements

Our directors and officers (as defined in Exchange Act Rule 16a-1(f)) may from time to time enter into plans or other arrangements for the purchase or sale of our shares that are intended to satisfy the affirmative defense conditions of Rule 10b5–1(c) or may represent a non-Rule 10b5-1 trading arrangement under the Exchange Act. During the quarter ended December 31, 2025, no such plans or other arrangements were adopted or terminated.

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

The information called for by this Item pertaining to executive officers of Prudential Financial appears in "Business—Information About our Executive Officers."

We have adopted a code of business conduct and ethics, known as "Making the Right Choices," which applies to our Chief Executive Officer, Chief Financial Officer and our Principal Accounting Officer, as well as to all other employees. Making the Right Choices is posted on our website at www.prudential.com and copies of the code are available to shareholders without charge upon written request to the Corporate Secretary at the Company's principal executive offices. Any substantive amendment to the code of business conduct and ethics or any waiver of the code granted to the Chief Executive Officer, the Chief Financial Officer or the Principal Accounting Officer will be posted on the Company's website at www.prudential.com within four business days (and retained on the website for at least one year).

We have also adopted Corporate Governance Guidelines, which we refer to as our "Corporate Governance Principles and Practices." Our Corporate Governance Principles and Practices are available free of charge on our website at www.prudential.com.

In addition to the prohibition on insider trading covered in our code of business conduct and ethics, the Company has adopted an insider trading policy, a copy of which is filed as Exhibit 19 to this Annual Report.

Certain of the information called for by this item is hereby incorporated herein by reference to the relevant portions of Prudential Financial's definitive proxy statement for the Annual Meeting of Shareholders to be held on May 12, 2026, to be filed by Prudential Financial with the Securities and Exchange Commission pursuant to Regulation 14A within 120 days after December 31, 2025 (the "Proxy Statement").

ITEM 11. EXECUTIVE COMPENSATION

The information called for by this item is hereby incorporated herein by reference to the relevant portions of the Proxy Statement.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The following table provides information as of December 31, 2025, regarding securities authorized for issuance under our equity compensation plans. All outstanding awards relate to Prudential Financial's Common Stock. For additional information about our equity compensation plans, see Note 22 to the Consolidated Financial Statements included in this Annual Report on Form 10-K.

	(a) Number of securities to be issued upon exercise of outstanding options, warrants and rights	(b) Weighted-average exercise price of outstanding options, warrants and rights	(c) Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in (a))
Equity compensation plans approved by security holders—Omnibus Plan	7,399,810 (1)	$ 97.67 (2)	12,496,717
Equity compensation plans approved by security holders—Director Plan	199,158		
Equity compensation plans approved by security holders—PSPP(3)			2,561,475
Total equity compensation plans approved by security holders	7,598,968		15,058,192
Equity compensation plans not approved by security holders			
Grand Total	7,598,968		15,058,192

(1) Represents 604,440 outstanding Options, 3,749,723 outstanding Restricted Units and 3,045,647 outstanding Performance Shares as of December 31, 2025 under our Omnibus Plan. The number of Performance Shares represents the number of shares that would be received based on maximum performance, reduced for cancellations and releases through December 31, 2025. The number of performance shares outstanding as of December 31, 2025 at target (100%) performance factor was 2,035,393. The actual number of performance shares the Compensation Committee will award at the end of each performance period will range between 0% and 150% of the target number of performance shares granted, based upon the achievement of Company financial performance goals selected by the Compensation Committee at the start of the performance period.

(2) Represents the weighted average exercise price of the Options disclosed in column (a). The weighted average remaining contractual term of these Options is 2.51 years.

(3) The Prudential Financial, Inc. Employee Stock Purchase Plan is a qualified Employee Stock Purchase Plan under Section 423 of the Code, pursuant to which up to 26,367,235 shares of Common Stock were authorized for issuance, all of which have been registered on Form S-8. Under the plan, employees may purchase shares based upon quarterly offering periods at an amount equal to the lesser of (1) 85% of the closing market price of the Common Stock on the first day of the quarterly offering period, or (2) 85% of the closing market price of the Common Stock on the last day of the quarterly offering period.

The other information called for by this item is hereby incorporated herein by reference to the relevant portions of the Proxy Statement.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

The information called for by this item is hereby incorporated herein by reference to the relevant portions of the Proxy Statement.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

The information called for by this item is hereby incorporated herein by reference to the relevant portions of the Proxy Statement.

PART IV

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES

The following documents are filed as part of this report:

		Page
1.	Financial Statements—Item 8. Financial Statements and Supplementary Data	126
2.	Financial Statement Schedules:	
	Schedule I—Summary of Investments Other Than Investments in Related Parties as of December 31, 2025	300
	Schedule II—Condensed Financial Information of Registrant as of December 31, 2025 and 2024, and for the years ended December 31, 2025, 2024 and 2023	301
	Schedule III—Supplementary Insurance Information as of and for the years ended December 31, 2025, 2024 and 2023	306
	Schedule IV—Reinsurance as of and for the years ended December 31, 2025, 2024 and 2023	309
	Any remaining schedules provided for in the applicable SEC regulations are omitted because they are either inapplicable or the relevant information is provided elsewhere within this Form 10-K.	

3. Exhibits:

See the accompanying Exhibit Index.

PRUDENTIAL FINANCIAL, INC.
Schedule I
Summary of Investments Other Than Investments in Related Parties
As of December 31, 2025
(in millions)

Type of Investment	Amortized Cost or Cost	Fair Value	Amount Shown in the Balance Sheet
Fixed maturities, available-for-sale:			
Bonds:			
U.S. Treasury securities and obligations of U.S. government authorities and agencies	$ 26,334	$ 22,179	$ 22,179
Obligations of U.S. states and their political subdivisions	5,881	5,465	5,465
Foreign government securities	62,469	50,614	50,614
Asset-backed securities	19,130	19,329	19,329
Residential mortgage-backed securities	5,493	5,381	5,381
Commercial mortgage-backed securities	9,958	9,743	9,743
Public utilities	37,064	35,090	35,090
All other corporate bonds	191,338	183,273	183,273
Redeemable preferred stock	329	381	381
Total fixed maturities, available-for-sale	$ 357,996	$ 331,455	$ 331,455
Equity securities:			
Common stocks:			
Other common stocks	$ 6,245	$ 7,645	$ 7,645
Mutual funds	1,509	2,755	2,755
Nonredeemable preferred stocks	85	103	103
Perpetual preferred stocks	464	469	469
Total equity securities, at fair value	$ 8,303	$ 10,972	$ 10,972
Fixed maturities, trading	$ 15,536	$ 14,869	$ 14,869
Assets supporting experience-rated contractholder liabilities(1)	3,129		4,842
Commercial mortgage and other loans(2)	64,715		64,715
Policy loans	9,958		9,958
Short-term investments	6,414		6,414
Other invested assets	27,294		27,294
Total investments	$ 493,345		$ 470,519

(1) See Note 3 to the Consolidated Financial Statements for the composition of the Company's "Assets supporting experience-rated contractholder liabilities, at fair value."
(2) Includes collateralized commercial mortgage and other loans of $64,544 million and uncollateralized loans of $171 million.

PRUDENTIAL FINANCIAL, INC.
Schedule II
Condensed Financial Information of Registrant
Condensed Statements of Financial Positions as of December 31, 2025 and 2024
(in millions)

	2025	2024
ASSETS		
Fixed maturities, available-for-sale, at fair value (amortized cost: 2025- $1,425; 2024- $1,477)	$ 1,335	$ 1,335
Equity securities, at fair value (cost: 2025- $174; 2024- $25)	174	25
Other invested assets	2,051	3,361
Total investments	3,560	4,721
Cash and cash equivalents	1,204	1,051
Due from subsidiaries	3,327	3,460
Loans receivable from subsidiaries	5,393	5,251
Investment in subsidiaries	47,056	41,054
Property, plant and equipment	363	381
Income taxes receivable	491	418
Other assets	445	475
TOTAL ASSETS	$ 61,839	$ 56,811
LIABILITIES AND EQUITY		
LIABILITIES		
Due to subsidiaries	$ 4,139	$ 3,800
Loans payable to subsidiaries	5,684	5,602
Short-term debt	561	25
Long-term debt	18,378	18,793
Income taxes payable	128	167
Other liabilities	511	552
Total liabilities	29,401	28,939
EQUITY		
Preferred Stock ($0.01 par value; 10,000,000 shares authorized; none issued)	0	0
Common Stock ($0.01 par value; 1,500,000,000 shares authorized; 666,305,189 shares issued as of December 31, 2025 and December 31, 2024)	6	6
Additional paid-in capital	26,013	25,901
Common Stock held in treasury, at cost (318,361,498 and 311,738,187 shares as of December 31, 2025 and 2024, respectively)	(25,335)	(24,511)
Accumulated other comprehensive income (loss)(1)	(3,077)	(6,711)
Retained earnings	34,831	33,187
Total equity	32,438	27,872
TOTAL LIABILITIES AND EQUITY	$ 61,839	$ 56,811

See Notes to Condensed Financial Information of Registrant

PRUDENTIAL FINANCIAL, INC.
Schedule II
Condensed Financial Information of Registrant
Condensed Statements of Operations for the Years Ended December 31, 2025, 2024 and 2023
(in millions)

	2025	2024	2023
REVENUES			
Net investment income	$ 360	$ 376	$ 345
Realized investment gains (losses), net	7	(2)	(4)
Affiliated interest revenue	317	392	408
Other income (loss)	20	17	14
Total revenues	704	783	763
EXPENSES			
General and administrative expenses	128	164	173
Interest expense	1,360	1,322	1,282
Total expenses	1,488	1,486	1,455
INCOME (LOSS) BEFORE INCOME TAXES AND EQUITY IN EARNINGS OF SUBSIDIARIES AND JOINT VENTURES AND OTHER OPERATING ENTITIES	(784)	(703)	(692)
Total income tax expense (benefit)	(214)	(192)	(152)
INCOME (LOSS) BEFORE EQUITY IN EARNINGS OF SUBSIDIARIES AND JOINT VENTURES AND OTHER OPERATING ENTITIES	(570)	(511)	(540)
Equity in earnings of subsidiaries	4,117	3,191	3,023
Equity in earnings of joint ventures and other operating entities, net of taxes	29	47	5
NET INCOME (LOSS)	$ 3,576	$ 2,727	$ 2,488
Other Comprehensive Income (loss)	3,634	(207)	(2,698)
TOTAL COMPREHENSIVE INCOME (LOSS)	$ 7,210	$ 2,520	$ (210)

See Notes to Condensed Financial Information of Registrant

PRUDENTIAL FINANCIAL, INC.
Schedule II
Condensed Financial Information of Registrant
Condensed Statements of Cash Flows for the Years Ended December 31, 2025, 2024 and 2023
(in millions)

	2025	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income (loss)	$ 3,576	$ 2,727	$ 2,488
Adjustments to reconcile net income to cash provided by operating activities:			
Equity in earnings of subsidiaries	(4,117)	(3,191)	(3,023)
Equity in earnings of joint ventures and other operating entities, net of taxes	(29)	(47)	(5)
Realized investment (gains) losses, net	(7)	2	4
Dividends received from subsidiaries	2,232	3,032	3,705
Property, plant and equipment	(1)	(3)	(15)
Change in:			
Due to/from subsidiaries, net	753	(106)	212
Other, operating	46	145	(487)
Cash flows from (used in) operating activities	2,453	2,559	2,879
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from the sale/maturity of:			
Fixed maturities, available-for-sale	617	212	372
Short-term investments	15,206	15,502	19,196
Payments for the purchase of:			
Equity securities, at fair value	(149)	0	0
Fixed maturities, available-for-sale	(565)	(171)	(171)
Short-term investments	(13,896)	(16,627)	(18,938)
Capital contributions to subsidiaries	(430)	(384)	(1,651)
Returns of capital contributions from subsidiaries	0	300	599
Loans to subsidiaries, net of maturities	(142)	197	584
Other, investing	(114)	0	0
Cash flows from (used in) investing activities	527	(971)	(9)
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash dividends paid on Common Stock	(1,926)	(1,891)	(1,846)
Common Stock acquired	(1,000)	(1,000)	(1,012)
Common Stock reissued for exercise of stock options	109	201	126
Proceeds from the issuance of debt (maturities longer than 90 days)	1,108	1,123	495
Repayments of debt (maturities longer than 90 days)	(1,008)	(512)	(1,514)
Repayments of loans from subsidiaries	(530)	(9)	(660)
Proceeds from loans payable to subsidiaries	524	702	1,256
Net change in financing arrangements (maturities of 90 days or less)	0	(1)	1
Other, financing	(104)	(121)	(141)
Cash flows from (used in) financing activities	(2,827)	(1,508)	(3,295)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	153	80	(425)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	1,051	971	1,396
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 1,204	$ 1,051	$ 971
SUPPLEMENTAL CASH FLOW INFORMATION			
Cash paid during the period for interest	$ 1,257	$ 1,231	$ 1,224
Cash paid (refunds received) during the period for taxes	$ (289)	$ (448)	$ 554
NON-CASH TRANSACTIONS DURING THE YEAR			
Non-cash capital contributions to subsidiaries	$ (63)	$ (2,919)	$ (753)
Non-cash dividends/returns of capital from subsidiaries	$ 0	$ 83	$ 1,067
Treasury Stock shares issued for stock-based compensation programs	$ 186	$ 216	$ 275

See Notes to Condensed Financial Information of Registrant

PRUDENTIAL FINANCIAL, INC.
Schedule II
Condensed Financial Information of Registrant
Notes to Condensed Financial Information of Registrant

1. ORGANIZATION AND PRESENTATION

Prudential Financial, Inc. ("Prudential Financial") was incorporated on December 28, 1999, as a wholly-owned subsidiary of The Prudential Insurance Company of America ("PICA"). On December 18, 2001, PICA converted from a mutual life insurance company to a stock life insurance company and became an indirect, wholly-owned subsidiary of Prudential Financial.

The condensed financial information of Prudential Financial, Inc. (the "Parent Company") should be read in conjunction with the consolidated financial statements of Prudential Financial, Inc. and its subsidiaries and the notes thereto (the "Consolidated Financial Statements"). The condensed financial statements of Prudential Financial reflect its direct wholly-owned subsidiaries using the equity method of accounting.

In September 2023, Prudential Financial invested approximately $200 million, and acquired a 20% equity interest as a limited partner, in Prismic Life Holding Company LP ("Prismic"), a Bermuda-exempted limited partnership that owns all of the outstanding capital stock of Prismic Life Reinsurance, Ltd. ("Prismic Re") and Prismic Life Reinsurance International, Ltd. ("Prismic Re International"), which are licensed Bermuda-based life and annuity reinsurance companies. Beginning with the fourth quarter of 2023, the operating results of Prudential Financial reflect our share of earnings in Prismic on a quarter lag. As this investment is accounted for under the equity method, Prismic, Prismic Re, and Prismic Re International are considered related parties.

2. OTHER INVESTMENTS

Prudential Financial's other investments as of December 31, 2025 and 2024 consisted primarily of highly liquid debt investments and intercompany enterprise liquidity account funds.

3. DEBT

A summary of Prudential Financial's short- and long-term debt is as follows:

	Maturity Dates	Rate(1)	December 31, 2025	December 31, 2024
			($ in millions)	
Short-term debt:				
Commercial paper(2)			$ 25	$ 25
Current portion of long-term debt			536	0
Total short-term debt			$ 561	$ 25
Long-term debt:				
Fixed rate senior notes	2026-2051	1.50%-6.63%	$ 10,823	$ 10,245
Junior subordinated notes	2047-2062	3.70%-6.75%	7,555	8,548
Total long-term debt			$ 18,378	$ 18,793

(1) Ranges of interest rates are for the year ended December 31, 2025.
(2) The weighted average interest rate on outstanding commercial paper was 3.85% and 4.38% at December 31, 2025 and December 31, 2024, respectively.

Long-term Debt

In order to manage exposure to interest rate movements, Prudential Financial utilizes derivative instruments, primarily interest rate swaps, in conjunction with some of its debt issuances. The impact of these derivative instruments is not reflected in the rates presented in the table above. Interest expense was $0 million for the years ended December 31, 2025, 2024 and 2023, as there were no such derivatives that qualified for hedge accounting treatment.

Schedule of Long-term Debt Maturities

The following table presents Prudential Financial's contractual maturities for long-term debt as of December 31, 2025:

	Calendar Year					
	2027	2028	2029	2030	2031 and thereafter	Total
	(in millions)					
Long-term debt	$ 63	$ 412	$ 71	$ 665	$ 17,167	$ 18,378

4. DIVIDENDS AND RETURNS OF CAPITAL

For the years ended December 31, Prudential Financial received cash dividends and/or returns of capital from the following subsidiaries:

	2025	2024	2023
		(in millions)	
International Insurance and Investments Holding Companies	$ 1,118	$ 1,385	$ 216
The Prudential Insurance Company of America	900	1,550	3,100
PGIM Holding Company	202	61	84
Other Companies(1)	12	336	904
Total	$ 2,232	$ 3,332	$ 4,304

(1) 2023 includes $900 million of dividends and returns of capital from a rabbi trust.

5. COMMITMENTS AND GUARANTEES

Prudential Financial has issued a subordinated guarantee covering a subsidiary's domestic commercial paper program. As of December 31, 2025, there was $850 million outstanding under this commercial paper program.

Prudential Financial has provided guarantees of the payment of principal and interest on intercompany loans between affiliates. As of December 31, 2025, Prudential Financial had issued guarantees of outstanding loans totaling $5.0 billion between international insurance subsidiaries and other affiliates.

In 2013, Prudential Financial entered into a $500 million indemnity and guarantee agreement with Wells Fargo Bank Northwest, N.A. Under this agreement, Prudential Financial guaranteed obligations with respect to an affiliated loan from PICA to an affiliate. The loan proceeds were utilized to construct the Prudential Tower home office in Newark, New Jersey.

Prudential Financial is also subject to other financial guarantees, net worth maintenance agreements and indemnity arrangements, including those made in the normal course of business guaranteeing the performance of, or representations made by, Prudential Financial subsidiaries. Prudential Financial has provided indemnities and guarantees related to acquisitions and dispositions, investments, debt issuances and other transactions, including those provided as part of its ongoing operations that are triggered by, among other things, breaches of representations, warranties or covenants provided by Prudential Financial or its subsidiaries. These obligations are typically subject to various time limitations, defined by the contract or by operation of law, such as statutes of limitation. In some cases, the maximum potential obligation is subject to contractual limitations, while in other cases such limitations are not specified or applicable. This includes guarantees issued on $2.3 billion of letters of credit obtained by the Lotus Reinsurance Company Ltd. from a third-party financial institution, for the benefit of PICA and Pruco Life as beneficiaries, to support U.S. statutory reserve credit related to reinsurance agreements with PICA and Pruco Life. As of December 31, 2025, $2.3 billion of letters of credit have been issued to PICA and Pruco Life under the facility, and the likelihood of PICA and Pruco Life drawing upon them is remote. The guarantees are automatically renewed annually unless notice of termination is given by either party. The current value of the guarantees is estimated to be immaterial. This also includes guarantees issued on $1.5 billion of standby committed letters of credit and $0.5 billion of standby uncommitted letters of credit obtained by Prismic Re from third-party financial institutions, for the benefit of PICA as beneficiary, to support U.S. statutory reserve credit related to a reinsurance agreement with PICA. As of December 31, 2025, no letters of credit have been issued to PICA under the facility, and the likelihood of PICA drawing upon them is remote. The guarantees are renewable on an annual basis. The current value of the guarantees is estimated to be immaterial.

PRUDENTIAL FINANCIAL, INC.
Schedule III
Supplementary Insurance Information
As of and for the Year Ended December 31, 2025
(in millions)

Segment	Deferred Policy Acquisition Costs	Future Policy Benefits, Losses, Claims Expenses	Unearned Premiums	Other Policy Claims and Benefits Payable	Premiums, Policy Charges and Fee Income	Net Investment Income	Benefits, Claims, Losses and Settlement Expenses	Amortization of DAC	Other Operating Expenses
PGIM	$ 0	$ 0	$ 0	$ 0	$ 0	$ 181	$ 0	$ 0	$ 3,215
U.S. Businesses:									
Institutional Retirement Strategies	283	85,693	0	23,067	11,017	5,055	14,383	23	354
Individual Retirement Strategies	4,329	1,321	0	61,324	1,205	2,891	1,505	528	1,511
Retirement Strategies	4,612	87,014	0	84,391	12,222	7,946	15,888	551	1,865
Group Insurance	154	5,609	94	4,832	6,147	543	5,160	9	1,226
Individual Life	7,593	28,351	0	34,320	3,310	2,891	3,498	433	1,813
Total U.S. Businesses	12,359	120,974	94	123,543	21,679	11,380	24,546	993	4,904
International Businesses	9,678	95,165	70	61,715	11,660	6,040	12,322	692	2,463
Corporate and Other	(651)	9,127	0	1,809	405	1,815	980	(62)	2,143
Total PFI excluding Closed Block division	21,386	225,266	164	187,067	33,744	19,416	37,848	1,623	12,725
Closed Block division	144	41,484	0	5,512	1,719	2,057	3,520	12	287
Total	$ 21,530	$266,750	$ 164	$ 192,579	$ 35,463	$ 21,473	$ 41,368	$ 1,635	$ 13,012

PRUDENTIAL FINANCIAL, INC.
Schedule III
Supplementary Insurance Information
As of and for the Year Ended December 31, 2024
(in millions)

Segment	Deferred Policy Acquisition Costs	Future Policy Benefits, Losses, Claims Expenses	Unearned Premiums	Other Policy Claims and Benefits Payable	Premiums, Policy Charges and Fee Income	Net Investment Income	Benefits, Claims, Losses and Settlement Expenses	Amortization of DAC	Other Operating Expenses
PGIM	$ 0	$ 0	$ 0	$ 0	$ 0	$ 15	$ 0	$ 2	$ 3,097
U.S. Businesses:									
Institutional Retirement Strategies	208	84,717	0	18,761	22,979	4,603	26,392	10	286
Individual Retirement Strategies	4,091	1,181	0	46,105	1,312	2,124	1,042	430	1,779
Retirement Strategies	4,299	85,898	0	64,866	24,291	6,727	27,434	440	2,065
Group Insurance	159	5,425	246	5,032	5,807	531	4,949	6	1,157
Individual Life	7,093	26,541	0	33,046	2,910	3,147	3,862	443	1,926
Total U.S. Businesses	11,551	117,864	246	102,944	33,008	10,405	36,245	889	5,148
International Businesses	9,304	99,633	66	54,881	12,103	5,715	12,059	646	2,314
Corporate and Other	(563)	8,639	0	4,100	394	1,726	995	(57)	2,495
Total PFI excluding Closed Block division	20,292	226,136	312	161,925	45,505	17,861	49,299	1,480	13,054
Closed Block division	156	42,464	0	5,047	1,690	2,048	3,100	12	288
Total	$ 20,448	$268,600	$ 312	$ 166,972	$ 47,195	$ 19,909	$ 52,399	$ 1,492	$ 13,342

PRUDENTIAL FINANCIAL, INC.
Schedule III
Supplementary Insurance Information
As of and for the Year Ended December 31, 2023
(in millions)

Segment	Deferred Policy Acquisition Costs	Future Policy Benefits, Losses, Claims Expenses	Unearned Premiums	Other Policy Claims and Benefits Payable	Premiums, Policy Charges and Fee Income	Net Investment Income	Benefits, Claims, Losses and Settlement Expenses	Amortization of DAC	Other Operating Expenses
PGIM	$ 0	$ 0	$ 0	$ 0	$ 0	$ 268	$ 0	$ 2	$ 2,937
U.S. Businesses:									
Institutional Retirement Strategies	139	75,431	0	17,520	6,375	4,161	9,209	10	210
Individual Retirement Strategies	3,881	1,229	0	30,860	1,335	1,453	713	387	1,663
Retirement Strategies	4,020	76,660	0	48,380	7,710	5,614	9,922	397	1,873
Group Insurance	137	5,348	251	5,342	5,699	517	4,869	9	1,088
Individual Life	7,600	24,748	0	32,266	3,180	2,879	4,152	456	1,590
Total U.S. Businesses	11,757	106,756	251	85,988	16,589	9,010	18,943	862	4,551
International Businesses	9,351	113,428	73	51,971	13,231	5,281	12,525	622	2,488
Corporate and Other	(420)	9,186	0	4,594	396	1,347	1,035	(40)	2,880
Total PFI excluding Closed Block division	20,688	229,370	324	142,553	30,216	15,906	32,503	1,446	12,856
Closed Block division	168	43,587	0	5,940	1,675	1,959	3,480	13	272
Total	$ 20,856	$272,957	$ 324	$ 148,493	$ 31,891	$ 17,865	$ 35,983	$ 1,459	$ 13,128

PRUDENTIAL FINANCIAL, INC.
Schedule IV
Reinsurance
As of and For the Years Ended December 31, 2025, 2024 and 2023
($ in millions)

	Gross Amount	Ceded to Other Companies	Assumed from Other Companies	Net Amount	Percentage of Amount Assumed to Net
2025					
Life Insurance Face Amount In Force	$ 4,227,621	$ 1,022,549	$ 154,535	$ 3,359,607	4.6 %
Premiums:					
Life Insurance	$ 23,367	$ 2,447	$ 6,990	$ 27,910	25.0 %
Accident and Health Insurance	3,004	117	0	2,887	0.0
Total Premiums	$ 26,371	$ 2,564	$ 6,990	$ 30,797	22.7 %
2024					
Life Insurance Face Amount In Force	$ 4,125,517	$ 979,667	$ 159,355	$ 3,305,205	4.8 %
Premiums:					
Life Insurance	$ 36,320	$ 2,384	$ 6,167	$ 40,103	15.4 %
Accident and Health Insurance	2,902	108	0	2,794	0.0
Total Premiums	$ 39,222	$ 2,492	$ 6,167	$ 42,897	14.4 %
2023					
Life Insurance Face Amount In Force	$ 4,173,524	$ 891,770	$ 165,988	$ 3,447,742	4.8 %
Premiums:					
Life Insurance	$ 26,585	$ 7,028	$ 5,005	$ 24,562	20.4 %
Accident and Health Insurance	2,890	88	0	2,802	0.0
Total Premiums	$ 29,475	$ 7,116	$ 5,005	$ 27,364	18.3 %

ITEM 16. FORM 10-K SUMMARY

None.

GLOSSARY

Throughout this Annual Report on Form 10-K, the Company may use certain abbreviations, acronyms and terms which are defined below.

Prudential Entities

Assurance IQ	Assurance IQ, LLC / AIQ	PLNJ	Pruco Life Insurance Company of New Jersey
Company	Prudential Financial, Inc. and its subsidiaries	POB	Prudential of Brazil
Gibraltar Life	The Gibraltar Life Insurance Company, Ltd.	Pruco Life	Pruco Life Insurance Company
Gibraltar Re	Gibraltar Reinsurance Company Ltd.	Prudential	Prudential Financial, Inc. and its subsidiaries
PFI	Prudential Financial, Inc. and its subsidiaries	Prudential Financial	Prudential Financial, Inc.
PGIM	The global investment management business of Prudential Financial, Inc.	Prudential Funding	Prudential Funding, LLC
PGFL	The Prudential Gibraltar Financial Life Insurance Co., Ltd.	Prudential Insurance/PICA	The Prudential Insurance Company of America
PHJ	Prudential Holdings of Japan, Inc.	Prudential of Japan	The Prudential Life Insurance Company Ltd.
PLIC	Prudential Legacy Insurance Company of New Jersey	Registrant	Prudential Financial, Inc.

Defined Terms

A.M. Best	A.M. Best Company	Moody's	Moody's Investor Service, Inc.
AFS Debt Securities	Fixed maturities, available-for-sale, at fair value	Morningstar	Morningstar, Inc.
Allstate	The Allstate Corporation	NCTI	Net Controlled Foreign Corporation Tested Income
AuguStar	AuguStar Life Insurance Company, formerly known as The Ohio National Life Insurance Company	Other Postretirement Benefits	Certain health care and life insurance benefits provided by the Company for its retired employees, their beneficiaries and covered dependents
Board	Prudential Financial's Board of Directors	Pension Benefits	Funded and non-funded non-contributory defined benefit pension plans which cover substantially all of the Company's employees
CIO Organization	Chief Investment Officer Organization	Prismic	Prismic Life Holding Company LP
Closed Block	Certain in-force participating insurance policies and annuity products, along with corresponding assets used for the payment of benefits and policyholders' dividends on these products	Prismic Re	Prismic Life Reinsurance, Ltd.
Credit-Linked Note Structures	Agreements with external counterparties providing for the issuance of surplus notes by our captive reinsurers in return for the receipt of credit-linked notes	Prismic Re International	Prismic Life Reinsurance International, Ltd.
Dodd-Frank	Dodd-Frank Wall Street Reform and Consumer Protection Act	Regulation XXX	Valuation of Life Insurance Policies Model Regulation
Empower	Great-West and Great-West Life & Annuity Insurance Company of New York, now known as Empower Annuity Insurance Company of America and Empower Life & Annuity Insurance Company of New York, respectively	S&P	Standard & Poor's Rating Services
Exchange Act	The Securities Exchange Act of 1934	SECURE Act	Setting Every Community Up for Retirement Enhancement ("SECURE") Act, together with SECURE 2.0, collectively
Farmer Mac	Federal Agricultural Mortgage Corporation	Somerset Re	Somerset Reinsurance Ltd.
Fitch	Fitch Ratings Inc.	Star and Edison Businesses	AIG Star Life Insurance Co., Ltd, AIG Edison Life Insurance Company, AIG Financial Assurance Japan K.K. and AIG Edison Service Co., Ltd., collectively
Funds Withheld	Assets the Company retains the legal ownership of under certain reinsurance arrangements	Talcott Resolution	Talcott Resolution Life Insurance Company
GDPR	The European Union's General Data Protection Regulation	Tax Act of 2017	The United States Tax Cuts and Jobs Act of 2017
Great-West	Great-West Life & Annuity Insurance Company	Tax Act of 2025	H.R.1, also referred to as the "One Big Beautiful Bill Act"
Guideline AXXX	The Application of the Valuation of Life Insurance Policies Model Regulation	The Colorado AI Law	Senate Bill 24-205 passed in Colorado, which regulates certain AI systems, and imposes obligations on AI system deployers and developers doing business in Colorado
Guideline AXXX	The Application of the Valuation of Life Insurance Policies Model Regulation	U.S. GAAP	Accounting principles generally accepted in the United States of America
Hartford Financial	Hartford Financial Services Group, Inc.	UCL	California's Unfair Competition law
Hartford Life Business	The Hartford Financial Services Group's individual life insurance business acquired by Prudential Financial	Wilton Re	Wilton Reassurance Company and Wilton Reinsurance Bermuda Limited, collectively

Acronyms

ACL	Allowance for Credit Losses	GMDB	Guaranteed Minimum Death Benefits
AI	Artificial Intelligence	GMIB	Guaranteed Minimum Income Benefits
AIR	Additional Insurance Reserves	GMIWB	Guaranteed Minimum Income and Withdrawal Benefits
ALM	Asset Liability Management	GMWB	Guaranteed Minimum Withdrawal Benefits
AOCI	Accumulated Other Comprehensive Income (Loss)	GSEs	Government Sponsored Entities
ASC	Accounting Standards Codification	HDI	Highest Daily Lifetime Income
ASU	Accounting Standards Update	HGTO	Head of Global Technology and Operations
AUD	Australian Dollar	IAIG	Internationally Active Insurance Groups
BEAT	Base Erosion and Anti-Abuse Tax	IAIS	International Association of Insurance Supervisors
BMA	Bermuda Monetary Authority	IRA	Individual Retirement Account
bps	Basis Points	IRS	Internal Revenue Service
CAMT	Corporate Alternative Minimum Tax	LIBOR	London Inter-Bank Offered Rate
CECL	Current Expected Credit Loss	LPs/LLCs	Limited Partnerships and Limited Liability Companies
CFC	Capital and Finance Committee	MD&A	Management's Discussion and Analysis of Financial Condition and Results of Operations
CFTC	Commodity Futures Trading Commission	MRBs	Market Risk Benefits
CISO	Chief Information Security Officer	NAIC	National Association of Insurance Commissioners
CLO	Collateralized Loan Obligation	NAV	Net Asset Value
CODM	Chief Operating Decision Maker	NCTI	Net Controlled Foreign Corporation Tested Income
COSO	Committee of Sponsoring Organizations of the Treadway Commission	NFA	National Futures Association
CSA	Credit Support Annex	NJDOBI	New Jersey Department of Banking and Insurance
DAC	Deferred Policy Acquisition Costs	NPR	Non-Performance Risk
DOL	U.S. Department of Labor	NTG	Net-To-Gross
DPL	Deferred Profit Liability	OCI	Other Comprehensive Income (Loss)
DRD	Dividend Received Deduction	OECD	Organization of Economic Cooperation and Development
DRG	Deferred Reinsurance Gains	ORSA	Own Risk and Solvency Assessment
DRL	Deferred Reinsurance Losses	OTC	Over-The-Counter
DSI	Deferred Sales Inducements	OTTI	Other-Than-Temporary Impairments
E.U.	The European Union	PALAC	Prudential Annuities Life Assurance Corporation
EBITDA	Earnings Before Interest, Taxes, Depreciation and Amortization	PCAOB	Public Company Accounting Oversight Board
ERC	Executive Risk Committee	PDI	Prudential Defined Income℠
ERISA	Employee Retirement Income Security Act	PGIMW	PGIM Wadhwani LLP
ERMC	Enterprise Risk Management Council	POA	Prudential of Argentina
ESG	Environmental, Social and Governance	POT	The Prudential Life Insurance Company of Taiwan Inc.
ESR	Economic Solvency Ratio	QPAMs	Qualified Professional Asset Managers
ETFs	Exchange-traded Funds	RAF	Risk Appetite Framework
FACP	Funding Agreement-Backed Commercial Paper	RBC	Risk-Based Capital
FABN	Funding Agreement-Backed Notes	SEC	Securities and Exchange Commission
FASB	Financial Accounting Standards Board	SOFR	Secured Overnight Funding Rate
FHLBNY	Federal Home Loan Bank of New York	SVO	Securities Valuation Office
FINRA	Financial Industry Regulatory Authority	TBA	To Be Announced
FLIAC	Fortitude Life Insurance and Annuity Company	U.K.	The United Kingdom
FSA	Japanese Financial Services Agency	U.S.	The United States of America
FSB	Financial Stability Board	UCITS	Undertakings for the Collective Investment in Transferable Securities
G20	Group of Twenty nations	URR	Unearned Revenue Reserve
Generative AI	Generative Artificial Intelligence	USD	United States Dollar
GICs	Guaranteed Investment Contracts	VIEs	Variable Interest Entities
GILTI	Global Intangible Low-Taxed Income	VM-21	Valuation Manual, Section 21
GMAB	Guaranteed Minimum Accumulation Benefits	VOBA	Value of Business Acquired

EXHIBIT INDEX

Pursuant to the rules and regulations of the Securities and Exchange Commission, the Company has filed certain agreements as exhibits to this Annual Report on Form 10-K. These agreements may contain representations and warranties by the parties. These representations and warranties have been made solely for the benefit of the other party or parties to such agreements and (i) may have been qualified by disclosures made to such other party or parties, (ii) were made only as of the date of such agreements or such other date(s) as may be specified in such agreements and are subject to more recent developments, which may not be fully reflected in the Company's public disclosure, (iii) may reflect the allocation of risk among the parties to such agreements and (iv) may apply materiality standards different from what may be viewed as material to investors. Accordingly, these representations and warranties may not describe the Company's actual state of affairs at the date hereof and should not be relied upon.

2.1	Plan of Reorganization. Incorporated by reference to Exhibit 2.1 to the Registrant's Registration Statement on Form S-1 (No. 333-58524) (the "Registration Statement").
3.1	Amended and Restated Certificate of Incorporation of Prudential Financial, Inc. Incorporated by reference to Exhibit 3.1 to the Registrant's January 22, 2015 Current Report on Form 8-K.
3.2	Amended and Restated By-laws of Prudential Financial, Inc., effective September 12, 2023. Incorporated by reference to Exhibit 3.1 to the Registrant's September 13, 2023 Current Report on Form 8-K.
4.1	Upon the request of the Securities and Exchange Commission, the Registrant will furnish copies of all instruments defining the rights of holders of long-term debt of the Registrant.
4.2	Description of Common Stock. Incorporated by reference to Exhibit 4.2 to the Registrant's December 31, 2020 Annual Report on Form 10-K.
4.3	Description of 4.125% Junior Subordinated Notes. Incorporated by reference to Exhibit 4.3 to the Registrant's December 31, 2020 Annual Report on Form 10-K.
4.4	Description of 5.625% Junior Subordinated Notes. Incorporated by reference to Exhibit 4.4 to the Registrant's December 31, 2020 Annual Report on Form 10-K.
4.5	Description of 5.950% Junior Subordinated Notes. Incorporated by reference to Exhibit 4.5 to the Registrant's December 31, 2022 Annual Report on Form 10-K.
10.1	Fourth Amended and Restated Credit Agreement dated as July 15, 2024, among Prudential Financial, Inc., Prudential Funding, LLC, as Borrowers, The Prudential Insurance Company of America, JPMorgan Chase Bank, N.A., as Administrative Agent and Several L/C Agent, and the lenders party thereto. Incorporated by reference to Exhibit 10.1 to the Registrant's July 15, 2024 Current Report on Form 8-K.
10.2	Support Agreement between The Prudential Insurance Company of America and Prudential Funding Corporation, dated as of March 18, 1982. Incorporated by reference to Exhibit 10.1 to the Registration Statement.
10.3	The Prudential Insurance Company of America Deferred Compensation Plan (as amended and restated effective as of December 1, 2015). Incorporated by reference to Exhibit 10.3 to the Registrant's December 31, 2015 Annual Report on Form 10-K.*
10.4	First Amendment to the Prudential Insurance Company of America Deferred Compensation Plan (as amended and restated effective as of December 1, 2015). Incorporated by reference to Exhibit 10.4 to the Registrant's December 31, 2024 Annual Report on Form 10-K.*
10.5	Second Amendment to the Prudential Insurance Company of America Deferred Compensation Plan (as amended and restated effective as of December 1, 2015). Incorporated by reference to Exhibit 10.5 to the Registrant's December 31, 2024 Annual Report on Form 10-K.*
10.6	Third Amendment to the Prudential Insurance Company of America Deferred Compensation Plan (as amended and restated effective as of December 1, 2015). Incorporated by reference to Exhibit 10.6 to the Registrant's December 31, 2024 Annual Report on Form 10-K.*
10.7	The Pension Plan for Non-Employee Directors of The Prudential Insurance Company of America. Incorporated by reference to Exhibit 10.6 to the Registration Statement.*

10.8	Prudential Financial, Inc. Executive Change of Control Severance Program (amended and restated effective as of October 11, 2016). Incorporated by reference to Exhibit 10.5 to the Registrant's December 31, 2016 Annual Report on Form 10-K.*
10.9	Prudential Financial Executive Officer Severance Policy (adopted October 10, 2006). Incorporated by reference to Exhibit 10.2 to the Registrant's October 11, 2006 Current Report on Form 8-K.*
10.10	Prudential Financial, Inc. Omnibus Incentive Plan (amended and restated effective November 11, 2008). Incorporated by reference to Exhibit 10.15 to the Registrant's December 31, 2008 Annual Report on Form 10-K.*
10.11	First Amendment to the Prudential Financial, Inc. Omnibus Incentive Plan, effective February 9, 2010. Incorporated by reference to Exhibit 10.2 to the Registrant's February 11, 2010 Current Report on Form 8-K.*
10.12	Prudential Financial, Inc. 2016 Omnibus Incentive Plan. Incorporated by reference to Exhibit 10.21 to the Registrants December 31, 2017 Annual Report on Form 10-K.*
10.13	Prudential Financial, Inc. 2021 Omnibus Incentive Plan. Incorporated by reference to Exhibit 10.1 to the Registrant's August 5, 2021 Quarterly Report on Form 10-Q.*
10.14	Form of Terms and Conditions relating to awards in 2016 under the Prudential Financial, Inc. Omnibus Incentive Plan to the chairman, principal executive officer, principal financial officer and other executive officers of book value units, stock options, performance shares and performance units under the 2016 Long-Term Incentive Program. Incorporated by reference to Exhibit 10.2 to the Registrant's February 9, 2016 Current Report on Form 8-K.*
10.15	Form of Terms and Conditions relating to awards to executive officers in 2017 under the Prudential Financial, Inc. 2016 Omnibus Incentive Plan of restricted stock units, stock options, performance shares, performance units and book value units under the 2017 Long-Term Incentive Program. Incorporated by reference to Exhibit 10.2 to the Registrant's February 14, 2017 Current Report on Form 8-K.*
10.16	Form of Terms and Conditions relating to awards to executive officers in 2018 under the Prudential Financial, Inc. 2016 Omnibus Incentive Plan of restricted stock units, stock options, performance shares, performance units and book value units under the 2018 Long-Term Incentive Program. Incorporated by reference to Exhibit 10.2 to the Registrant's February 13, 2018 Current Report on Form 8-K.*
10.17	Form of Terms and Conditions relating to awards to executive officers in 2019 under the Prudential Financial, Inc. 2016 Omnibus Incentive Plan of restricted stock units, stock options, performance shares, performance units and book value units under the 2019 Long-Term Incentive Program. Incorporated by reference to Exhibit 10.2 to the Registrant's February 12, 2019 Current Report on Form 8-K.*
10.18	Form of Terms and Conditions relating to awards to executive officers in 2020 under the Prudential Financial, Inc. 2016 Omnibus Incentive Plan of restricted stock units, stock options, performance shares and book value units under the 2020 Long-Term Incentive Program. Incorporated by reference to Exhibit 10.2 to the Registrant's February 11, 2020 Current Report on Form 8-K.*
10.19	Revised Form of Terms and Conditions relating to awards to executive officers in 2021 under the Prudential Financial, Inc. 2016 Omnibus Incentive Plan of restricted stock units, stock options, performance shares and book value units under the 2021 Long-Term Incentive Program. Incorporated by reference to Exhibit 10.1 to the Registrant's January 16, 2024 Current Report on Form 8-K.*
10.20	Revised Form of Terms and Conditions relating to awards to executive officers in 2022 under the Prudential Financial, Inc. 2021 Omnibus Incentive Plan of restricted stock units, stock options, performance shares and book value units under the 2022 Long-Term Incentive Program. Incorporated by reference to Exhibit 10.2 to the Registrant's January 16, 2024 Current Report on Form 8-K.*
10.21	Revised Form of Terms and Conditions relating to awards to executive officers in 2023 under the Prudential Financial, Inc. 2021 Omnibus Incentive Plan of restricted stock units, stock options, performance shares and book value units under the 2023 Long-Term Incentive Program. Incorporated by reference to Exhibit 10.3 to the Registrant's January 16, 2024 Current Report on Form 8-K.*
10.22	Form of Terms and Conditions relating to awards to executive officers in 2024 under the Prudential Financial, Inc. 2021 Omnibus Incentive Plan of restricted stock units, stock options, performance shares and book value units under the 2024 Long-Term Incentive Program. Incorporated by reference to Exhibit 10.2 to the Registrant's February 15, 2024 Current Report on Form 8-K.*

10.23	Form of Terms and Conditions relating to awards to executive officers in 2025 under the Prudential Financial, Inc. 2021 Omnibus Incentive Plan of restricted stock units, stock options, performance shares and book value units under the 2025 Long-Term Incentive Program. Incorporated by reference to Exhibit 10.2 to the Registrant's February 13, 2025 Current Report on Form 8-K.*
10.24	Form of Terms and Conditions relating to awards to executive officers in 2026 under the Prudential Financial, Inc. 2021 Omnibus Incentive Plan of restricted stock units, stock options, performance shares and book value units under the 2026 Long-Term Incentive Program. Incorporated by reference to Exhibit 10.2 to the Registrant's February 11, 2026 Current Report on Form 8-K.*
10.25	Annual Incentive Payment Criteria for Executive Officers effective for awards in 2026 in respect of 2025. Incorporated by reference to Exhibit 10.1 to the Registrant's February 11, 2026 Current Report on Form 8-K.*
10.26	Prudential Financial, Inc. Non-Employee Director Compensation Summary effective February 10, 2015. Incorporated by reference to Exhibit 10.21 to the Registrant's December 31, 2014 Annual Report on Form 10-K.*
10.27	The Prudential Supplemental Retirement Plan (amended and restated effective as of January 1, 2009). Incorporated by reference to Exhibit 10.35 to the Registrant's December 31, 2008 Annual Report on Form 10-K.*
10.28	First Amendment to The Prudential Supplemental Retirement Plan, effective June 30, 2012. Incorporated by reference to Exhibit 10.1 to the Registrant's June 30, 2012 Quarterly Report on Form 10-Q.*
10.29	Second Amendment to The Prudential Supplemental Retirement Plan, effective December 6, 2013. Incorporated by reference to Exhibit 10.26 to the Registrant's December 31, 2013 Annual Report on Form 10-K.*
10.30	Third Amendment to The Prudential Supplemental Retirement Plan, effective January 1, 2017. Incorporated by reference to Exhibit 10.28 to the Registrant's December 31, 2016 Annual Report on Form 10-K.*
10.31	Fourth Amendment to The Prudential Supplemental Retirement Plan, effective as of January 1, 2018. Incorporated by reference to Exhibit 10.1 to the Registrant's September 30, 2018 Quarterly Report on Form 10-Q.*
10.32	Fifth Amendment to The Prudential Supplemental Retirement Plan, effective as of January 1, 2018. Incorporated by reference to Exhibit 10.30 to the Registrant's December 31, 2020 Annual Report on Form 10-K.*
10.33	Sixth Amendment to the Prudential Supplemental Retirement Plan, effective as of May 1, 2021. Incorporated by reference to Exhibit 10.32 to the Registrant's December 31, 2021 Annual Report on Form 10-K.*
10.34	Seventh Amendment to the Prudential Supplemental Retirement Plan, effective as of October 1, 2023. Incorporated by reference to Exhibit 10.32 to the Registrant's December 31, 2023 Annual Report on Form 10-K.*
10.35	Eighth Amendment to the Prudential Supplemental Retirement Plan, effective as of January 1, 2026.*
10.36	Prudential Supplemental Employee Savings Plan, as amended and restated effective as of January 1, 2006. Incorporated by reference to Exhibit 10.32 to the Registrant's December 31, 2006 Annual Report on Form 10-K.*
10.37	First Amendment to the Prudential Supplemental Employee Savings Plan, effective as of January 1, 2008. Incorporated by reference to Exhibit 10.2 to the Registrant's March 31, 2008 Quarterly Report on Form 10-Q.*
10.38	Second Amendment to the Prudential Supplemental Employee Savings Plan, effective January 1, 2009. Incorporated by reference to Exhibit 10.38 to the Registrant's December 31, 2008 Annual Report on Form 10-K.*
10.39	Third Amendment to the Prudential Supplemental Employee Savings Plan, effective January 1, 2017. Incorporated by reference to Exhibit 10.32 to the Registrant's December 31, 2016 Annual Report on Form 10-K.*
10.40	Fourth Amendment to the Prudential Supplemental Employee Savings Plan, effective as of April 1, 2018. Incorporated by reference to Exhibit 10.1 to the Registrant's September 30, 2018 Quarterly Report on Form 10-Q.*
10.41	Fifth Amendment to the Prudential Supplemental Employee Savings Plan, effective as of February 1, 2020. Incorporated by reference to Exhibit 10.4 to the Registrant's March 31, 2020 Quarterly Report on Form 10-Q.*
10.42	Sixth Amendment to the Prudential Supplemental Employee Savings Plan, effective as of November 1, 2020. Incorporated by reference to Exhibit 10.1 to the Registrant's September 30, 2020 Quarterly Report on Form 10-Q.*

10.43	Seventh Amendment to the Prudential Supplemental Employee Savings Plan, effective as of January 1, 2018. Incorporated by reference to Exhibit 10.38 to the Registrant's December 31, 2020 Annual Report on Form 10-K.*
10.44	Eighth Amendment to the Prudential Supplemental Employee Savings Plan, effective as of May 1, 2021. Incorporated by reference to Exhibit 10.41 to the Registrant's December 31, 2021 Annual Report on Form 10-K.*
10.45	Ninth Amendment to the Prudential Supplemental Employee Savings Plan, effective as of April 24, 2024. Incorporated by reference to exhibit 10.44 to the Registrants December 31, 2024 Annual Report on Form 10-K.*
10.46	Tenth Amendment to the Prudential Supplemental Employee Savings Plan, effective as of December 30, 2024. Incorporated by reference to exhibit 10.45 to the Registrants December 31, 2024 Annual Report on Form 10-K.*
10.47	Eleventh Amendment to the Prudential Supplemental Employee Savings Plan, effective as of January 1, 2026.*
10.48	The Prudential Insurance Supplemental Executive Retirement Plan (amended and restated effective as of January 1, 2009). Incorporated by reference to Exhibit 10.39 to the Registrant's December 31, 2008 Annual Report on Form 10-K.*
10.49	First Amendment to the Prudential Insurance Supplemental Executive Retirement Plan, effective as of January 1, 2010. Incorporated by reference to Exhibit 10.35 to the Registrant's December 31, 2010 Annual Report on Form 10-K.*
10.50	Prudential Financial, Inc. Compensation Plan (amended and restated effective as of November 11, 2008). Incorporated by reference to Exhibit 10.41 to the Registrant's December 31, 2008 Annual Report on Form 10-K.*
10.51	The Prudential Deferred Compensation Plan for Non-Employee Directors (as amended through October 9, 2007). Incorporated by reference to Exhibit 10.3 to the Registrant's September 30, 2007 Quarterly Report on Form 10-Q.*
10.52	First Amendment to The Prudential Deferred Compensation Plan for Non-Employee Directors, dated November 20, 2008. Incorporated by reference to Exhibit 10.43 to the Registrant's December 31, 2008 Annual Report on Form 10-K.*
10.53	Prudential Financial, Inc. 2011 Deferred Compensation Plan for Non-Employee Directors (effective as of January 1, 2011). Incorporated by reference to Exhibit 10.39 to the Registrant's December 31, 2010 Annual Report on Form 10-K.*
10.54	Amendment No. 1 to the Prudential Financial, Inc. 2011 Deferred Compensation Plan for Non-Employee Directors. Incorporated by reference to Exhibit 10.1 to the Registrant's September 30, 2015 Quarterly Report on Form 10-Q.*
10.55	Prudential Financial, Inc. 2016 Deferred Compensation Plan for Non-Employee Directors. Incorporated by reference to Exhibit 10.40 to the Registrant's December 31, 2016 Annual Report on Form 10-K.*
10.56	Prudential Securities Incorporated Supplemental Retirement Plan for Executives (amended and restated effective January 1, 2009). Incorporated by reference to Exhibit 10.44 to the Registrant's December 31, 2008 Annual Report on Form 10-K.*
10.57	PFI Supplemental Executive Retirement Plan (amended and restated effective as of January 1, 2009). Incorporated by reference to Exhibit 10.45 to the Registrant's December 31, 2008 Annual Report on Form 10-K.*
10.58	First Amendment to the PFI Supplemental Executive Retirement Plan, effective as of January 1, 2010. Incorporated by reference to Exhibit 10.42 to the Registrant's December 31, 2010 Annual Report on Form 10-K.*
10.59	Prudential Financial, Inc. Nonqualified Retirement Plan Trust Agreement between Prudential Financial, Inc. and Wachovia Bank, N.A. Incorporated by reference to Exhibit 10.1 to the Registrant's June 30, 2007 Quarterly Report on Form 10-Q.*
10.60	The Prudential Severance Plan (amended and restated as of October 10, 2019). Incorporated by reference to Exhibit 10.1 to the Registrant's September 30, 2019 Quarterly Report on Form 10-Q.*
10.61	The First Amendment to the Prudential Severance Plan, dated October 30, 2019. Incorporated by reference to Exhibit 10.54 to the Registrant's December 31, 2022 Annual Report on Form 10-K.*
10.62	The Second Amendment to the Prudential Severance Plan, dated December 16, 2022. Incorporated by reference to Exhibit 10.55 to the Registrant's December 31, 2022 Annual Report on Form 10-K.*

10.63	Letter Agreement, dated February 7, 2026, between Prudential Financial, Inc. and Caroline Feeney.*
19	Prudential Global Insider Trading Policy. Incorporated by reference to Exhibit 19 to the Registrant's December 31, 2024 Annual Report on Form 10-K.
21.1	Subsidiaries of Prudential Financial, Inc.
23.1	Consent of PricewaterhouseCoopers LLP.
24.1	Powers of Attorney.
31.1	Section 302 Certification of the Chief Executive Officer.
31.2	Section 302 Certification of the Chief Financial Officer.
32.1	Section 906 Certification of the Chief Executive Officer.
32.2	Section 906 Certification of the Chief Financial Officer.
97.1	Prudential Financial, Inc. Clawback Policy, effective June 13, 2023. Incorporated by reference to Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q for the Quarter ended June 30, 2023.*
101.INS—XBRL	Instance Document—the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH—XBRL	Taxonomy Extension Schema Document.
101.CAL—XBRL	Taxonomy Extension Calculation Linkbase Document.
101.LAB—XBRL	Taxonomy Extension Label Linkbase Document.
101.PRE—XBRL	Taxonomy Extension Presentation Linkbase Document.
101.DEF—XBRL	Taxonomy Extension Definition Linkbase Document.
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

* This exhibit is a management contract or compensatory plan or arrangement.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, on the 12th day of February, 2026.

Prudential Financial, Inc.

By: /s/ YANELA C. FRIAS
Name: **Yanela C. Frias**
Title: **Executive Vice President and Chief Financial Officer (Authorized signatory and principal financial officer)**

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities indicated on February 12, 2026:

Name	Title
/S/ ANDREW F. SULLIVAN **Andrew F. Sullivan**	President, Chief Executive Officer and Director (Principal Executive Officer)
/S/ YANELA C. FRIAS **Yanela C. Frias**	Executive Vice President and Chief Financial Officer (Principal Financial Officer)
/S/ ROBERT E. BOYLE **Robert E. Boyle**	Senior Vice President and Controller (Principal Accounting Officer)
CHARLES F. LOWREY* **Charles F. Lowrey**	Executive Chairman and Director
GILBERT F. CASELLAS* **Gilbert F. Casellas**	Director
CARMINE DI SIBIO* **Carmine Di Sibio**	Director
MARTINA HUND-MEJEAN* **Martina Hund-Mejean**	Director
WENDY E. JONES* **Wendy E. Jones**	Director
SANDRA PIANALTO* **Sandra Pianalto**	Director
CHRISTINE A. POON* **Christine A. Poon**	Director
THOMAS D. STODDARD* **Thomas D. Stoddard**	Director
MICHAEL A. TODMAN* **Michael A. Todman**	Director
JOSEPH J. WOLK* **Joseph J. Wolk**	Director

By:* /S/ YANELA C. FRIAS
Attorney-in-fact

Exhibit 10.35

EIGHTH AMENDMENT
TO THE
PRUDENTIAL SUPPLEMENTAL RETIREMENT PLAN

(As amended and restated effective as of January 1, 2009)

(*Amending to reflect the spin-off of certain participants and their benefits from The Prudential Merged Retirement Plan to The Prudential Retirement Plan for Advisors*)

Purpose and Background

A. The Prudential Supplemental Retirement Plan ("Supplemental Plan" or the "Plan") was amended and restated effective as of January 1, 2009, to comply with the requirements of Section 409A of the Internal Revenue Code of 1986, as amended ("Code").

B. Pursuant to Section 8.01(b) of the Supplemental Plan, the Executive Vice President and Chief People Officer (or successor thereto) ("EVP CPO") of The Prudential Insurance Company of America ("Prudential") may adopt minor amendments to the Supplemental Plan without the approval of the Compensation Committee of the Board of Directors of Prudential that are necessary or advisable for purposes of compliance with applicable laws and regulations or relate to administrative practices.

C. In March 2025, the Compensation and Human Capital Committee of the Board of Directors of Prudential adopted resolutions authorizing the establishment of separate 401(k) savings, retirement and welfare benefit plans for eligible financial advisors, including those currently participating in the Company's benefit plans.

D. Pursuant to the foregoing resolutions, Prudential is spinning off, effective as of January 1, 2026, certain assets and liabilities of The Prudential Merged Retirement Plan ("Prudential Merged Retirement Plan") related to the accrued benefits of eligible financial advisors thereunder (the "Plan Spin-Off") to create a substantially similar defined benefit plan, to be known and referred to as The Prudential Retirement Plan for Advisors (the "Advisors Retirement Plan"). Concurrently, the Prudential Merged Retirement Plan is being amended to reflect the Plan Spin-Off.

E. The EVP CPO deems it advisable to amend the Supplemental Plan to provide additional rules addressing the Plan Spin-Off including rules applicable to the transfer, after January 1, 2026, of participants between the Prudential Merged Retirement Plan and the Advisors Retirement Plan.

F. The EVP CPO has determined that the foregoing amendment is within the scope of authority granted to the EVP CPO under the terms of the Plan.

Resolution:

Effective as of January 1, 2026, the Supplemental Plan is amended in the following respects:

1. Section 1.15 of the Plan is amended to replace the term "Prudential Traditional Retirement Plan" with "Prudential Traditional Retirement Plan or the Advisors Traditional Retirement Plan (as applicable)"; and to replace the term "Prudential Cash Balance Plan" with "Prudential Cash Balance Plan or the Advisors Cash Balance Plan (as applicable)".

2. Section 1.21 of the Plan is amended to replace the term "Prudential Cash Balance Plan" with "Prudential Cash Balance Plan or the Advisors Cash Balance Plan (as applicable)".

3. Section 1.23(b) of the Plan is amended to replace the term "Prudential Cash Balance Plan" with "Prudential Cash Balance Plan or the Advisors Cash Balance Plan (as applicable)".

4. Section 1.23(c) of the Plan is amended to replace the term "Prudential Traditional Retirement Plan" with "Prudential Traditional Retirement Plan or the Advisors Traditional Retirement Plan (as applicable)".

5. Section 1.32 of the Plan is amended to read as follows:

"Retirement Plan" means the Prudential Cash Balance Plan and the Prudential Traditional Retirement Plan, components of the Prudential Merged Retirement Plan. Effective January 1, 2026, "Retirement Plan" shall also mean the Advisors Cash Balance Plan and the Advisors Traditional Retirement Plan; components of the Prudential Retirement Plan for Advisors.

6. A new Section 1.41 is added to the Plan to read as follows:

1.41 "Advisors Cash Balance Plan"

"Advisors Cash Balance Plan" means The Advisors Cash Balance Plan, Component Two of The Prudential Retirement Plan for Advisors, as amended from time to time.

7. A new Section 1.42 is added to the Plan to read as follows:

1.42 "Advisors Traditional Retirement Plan"

"Advisors Traditional Retirement Plan" means The Advisors Traditional Retirement Plan, Component One of The Prudential Retirement Plan for Advisors, as amended from time to time.

8. A new Section 1.43 is added to the Plan to read as follows:

1.43 "Prudential Retirement Plan for Advisors"

"Prudential Retirement Plan for Advisors" means The Prudential Retirement Plan for Advisors, a new plan spun off from the Prudential Merged Retirement Plan effective January 1, 2026, which is composed of two components – Component One, The Advisors Traditional Retirement Plan, and Component Two, The Advisors Cash Balance Plan.

9. Section 2.02(b)(1) of the Plan is amended to replace the term "Prudential Traditional Retirement Plan" with "Prudential Traditional Retirement Plan or the Advisors Traditional Retirement Plan (as applicable)".

10. Section 2.02(b)(2) of the Plan is amended to replace the term "Prudential Cash Balance Plan" with "Prudential Cash Balance Plan or the Advisors Cash Balance Plan (as applicable)".

11. Section 2.02(e) of the Plan is amended to read as follows:

(e) Hypothetical Total Benefit. Such Participant's hypothetical retirement benefits that would be payable under the Retirement Plan:

(1) without regard to the limit on compensation imposed by Code section 401(a)(17) (as reflected in the applicable provisions of the Retirement Plan);

(2) without regard to the limits on benefits imposed by Code section 415(b) (as reflected in the applicable provisions of the Retirement Plan);

(3) without regard to the "QSERP Accrued Amount" under subsection 806(a)(ii), (iii), or (iv) of the Prudential Traditional Retirement Plan or subsection 606(a)(ii), (iii) or (iv) of the Advisors Traditional Retirement Plan (as applicable), the "QSERP Pension Formula Amount" under subsection 806(b)(ii), (iii), or (iv) of the Prudential Traditional Retirement Plan or subsection 606(b)(ii), (iii) or (iv) of the Advisors Traditional Retirement Plan (as applicable), and the "QSERP Enhanced Pension Benefit" under Section 2804(b), (c), or (d) of the Prudential Traditional Retirement Plan or Section 904(b), (c) or (d) of the Advisors Traditional Retirement Plan (as applicable) (or any other amount determined with reference to them);

(4) without regard to the "QSERP Credit Account" as defined in Section 3.1(e) of the Prudential Cash Balance Plan or in Section 1.1(d) of Appendix A of the Advisors Cash Balance Plan (as applicable), the "QSERP Accrued Amount" in Section 1.30 of the Prudential Cash Balance Plan or in Section 4.3 of the Advisors Cash Balance Plan (as applicable), the "QSERP Enhanced Pension Benefit" in Section 1.30 of the Prudential Cash Balance Plan or Section 4.3 of the Advisors Cash Balance Plan (as

applicable), and the "QSERP Pension Formula Amount" in Section 1.54 of the Prudential Cash Balance Plan or Section 6.4(e)(2) of the Advisors Cash Balance Plan (as applicable) (or any other amount determined with reference to them);

(5) by including as pensionable Earnings the amount of the deferred compensation under the Deferred Compensation Plan and the Prudential Supplemental Savings Plan that would, but for the deferral of payment, constitute pensionable Earnings under the Retirement Plan (including such compensation that would have constituted Earnings had it not exceeded the limit on compensation imposed by Code section 401(a)(17) and determined without regard to the limits on benefits imposed by Code section 415(b)); and

12. Section 3.01 of the Plan is amended to replace the term "Prudential Traditional Retirement Plan" with "Prudential Traditional Retirement Plan or the Advisors Traditional Retirement Plan (as applicable)"; and to replace the term "Prudential Cash Balance Plan" with "Prudential Cash Balance Plan or the Advisors Cash Balance Plan (as applicable)" in each instance it appears therein.

13. Section 3.02(b)(1) of the Plan is amended to replace the term "Prudential Traditional Retirement Plan" with "Prudential Traditional Retirement Plan or the Advisors Traditional Retirement Plan (as applicable)" in each instance it appears therein.

14. Section 3.02(c) of the Plan is amended to replace the term "Prudential Traditional Retirement Plan" with "Prudential Traditional Retirement Plan or the Advisors Traditional Retirement Plan (as applicable)" in each instance it appears therein; and to replace the term "Prudential Cash Balance Plan" with "Prudential Cash Balance Plan or the Advisors Cash Balance Plan (as applicable)" in each instance it appears therein.

15. Section 3.02(d) of the Plan is amended to read:

(d) Such Participant's accrued early retirement benefit after age 65 under Article XI of the Prudential Traditional Retirement Plan or Article X of the Advisors Traditional Retirement Plan (or any successor provision) or Subsidized Grandfathered Minimum Benefit payable at early retirement under the Prudential Cash Balance Plan or the Advisors Cash Balance Plan (as applicable), accrued temporary benefits under the Prudential Traditional Retirement Plan or the Advisors Traditional Retirement Plan (as applicable) or Subsidized Grandfathered Minimum Benefit under the Prudential Cash Balance Plan or the Advisors Cash Balance Plan (as applicable) (adjusted to be Actuarially Equivalent to a single life annuity), and such Participant's accrued Benefits under Article II of this Plan (as adjusted to reflect the early commencement of benefits).

16. Section 4.01 of the Plan is amended to add the following paragraph at the end thereof:

If a Participant is entitled, under the terms of the Prudential Retirement Plan for Advisors, both to a benefit payable under the Advisors Traditional Retirement Plan and to a benefit payable under the Advisors Cash Balance Plan, Plan provisions applicable to Participants entitled to benefits payable under the Advisors Traditional Retirement Plan shall apply only with respect to Plan benefits calculated by reference to the Advisors Traditional Retirement Plan. Similarly, Plan provisions applicable to Participants entitled to benefits payable under the Advisors Cash Balance Plan shall apply only with respect to Plan benefits calculated by reference to the Advisors Cash Balance Plan.

17. Section 4.02 of the Plan is amended to read as follows:

4.02 Application of Qualified Plan Limitation to Dual Benefits. If a Participant is entitled to a benefit payable under more than one component of the Prudential Merged Retirement Plan, as described above in Section 4.01, the limit on benefits imposed by Code section 415(b) (as reflected in the applicable provisions of the Prudential Merged Retirement Plan) shall first be reduced by the value of any accrued retirement benefits the Participant is entitled to receive under the PSI Plan (the "Adjusted 415 Limit") and then applied to calculate the Benefits payable to such Participant hereunder that are determined by reference to the Prudential Traditional Retirement Plan. Thereafter, the Adjusted 415 Limit, as further reduced to reflect the value of the Participant's benefits under the Prudential Traditional Retirement Plan, shall be applied to calculate the Benefits payable to the Participant hereunder that are determined by reference to the Prudential Cash Balance Plan.

If a Participant is entitled to a benefit payable under more than one component of the Prudential Retirement Plan for Advisors, as described above in Section 4.01, the limit on benefits imposed by Code section 415(b) (as reflected in the applicable provisions of the Retirement Plan for Advisors) shall first be reduced by the value of any accrued retirement benefits the Participant is entitled to receive under the Advisors Traditional Retirement Plan (the "Adjusted 415 Limit") and then applied to calculate the Benefits payable to such Participant hereunder that are determined by reference to the Advisors Cash Balance Plan.

If a Participant is entitled to a benefit payable under both the Prudential Merged Retirement Plan and the Retirement Plan for Advisors, the limit on benefits imposed by Code section 415(b) shall first be applied to the benefits with the earlier commencement date (the "Annuity Starting Date" under the Advisors Traditional Retirement Plan and the Prudential Traditional Retirement Plan, and the "Benefit Commencement Date" under the Advisors Cash Balance Plan and the Prudential Cash Balance Plan); and if such benefits commence on the same date, the limit on benefits imposed by Code section 415(b) shall be first applied to the benefit with a smaller value.

18. Section 5.01(a) of the Plan is amended to replace the term "Prudential Traditional Retirement Plan" with "Prudential Traditional Retirement Plan or the Advisors Traditional Retirement Plan (as applicable)".

19. Section 5.01(b) of the Plan is amended to replace the term "Prudential Traditional Retirement Plan" with "Prudential Traditional Retirement Plan or the Advisors Traditional Retirement Plan (as applicable)".

20. Section 5.01(c) of the Plan is amended to replace the term "Prudential Cash Balance Plan" with "Prudential Cash Balance Plan or the Advisors Cash Balance Plan (as applicable)".

21. Section 5.01(d) of the Plan is amended to replace the term "Prudential Cash Balance Plan" with "Prudential Cash Balance Plan or the Advisors Cash Balance Plan (as applicable)".

22. Section 5.01(e) of the Plan is amended to replace the term "Prudential Cash Balance Plan" with "Prudential Cash Balance Plan or the Advisors Cash Balance Plan (as applicable)".

23. Section 5.01(f) of the Plan is amended to replace the term "Prudential Cash Balance Plan" with "Prudential Cash Balance Plan or the Advisors Cash Balance Plan (as applicable)".

24. A new Section 5.04(c) is added to the Plan to read as follows:

    (c) Spin-Off to Retirement Plan for Advisors. If a Participant made an election under Sections 5.04(a) or 5.04(b), and the benefit was spun off from the Prudential Traditional Retirement Plan to the Advisors Traditional Retirement Plan (or from the Prudential Cash Balance Plan to the Advisors Cash Balance Plan) in connection with the January 1, 2026 spinoff, the election under Section 5.04(a) or 5.04(b), as applicable, shall remain in effect even if such benefit was transferred in connection with the spinoff.

25. Section 5.05(a) of the Plan is amended to replace the term "Prudential Traditional Retirement Plan" with "Prudential Traditional Retirement Plan or the Advisors Traditional Retirement Plan (as applicable)".

26. Section 5.05(b) of the Plan is amended to replace the term "Prudential Cash Balance Plan" with "Prudential Cash Balance Plan or the Advisors Cash Balance Plan (as applicable)".

27. Section 5.06 of the Plan is amended to replace the term "Prudential Cash Balance Plan" with "Prudential Cash Balance Plan or the Advisors Cash Balance Plan (as applicable)".

28. Section 6.02 of the Plan is amended to replace the term "Prudential Traditional Retirement Plan" with "Prudential Traditional Retirement Plan or the Advisors Traditional Retirement Plan (as applicable)".

29. Section 6.03 of the Plan is amended to replace the term "Prudential Traditional Retirement Plan" with "Prudential Traditional Retirement Plan or the Advisors Traditional Retirement Plan (as applicable)".

30. Section 6.04 of the Plan is amended to replace the term "Prudential Cash Balance Plan" with "Prudential Cash Balance Plan or the Advisors Cash Balance Plan (as applicable)" in each instance it appears therein.

31. Section 6.05(a) of the Plan is amended to replace the term “Prudential Traditional Retirement Plan” with “Prudential Traditional Retirement Plan or the Advisors Traditional Retirement Plan (as applicable)”.

32. Section 6.05(b) of the Plan is amended to replace the term “Prudential Cash Balance Plan” with “Prudential Cash Balance Plan or the Advisors Cash Balance Plan (as applicable)”.

33. A new Section 6.06(a)(3) is added to the Plan to read as follows:

    (3) Spin-Off to Retirement Plan for Advisors. If a Participant made an election under Sections 6.06(a)(1) or 6.06(a)(2), and the benefit was spun off from the Prudential Traditional Retirement Plan to the Advisors Traditional Retirement Plan (or from the Prudential Cash Balance Plan to the Advisors Cash Balance Plan) in connection with the January 1, 2026 spinoff, the election under Section 6.06(a)(1) or 6.06(a)(2), as applicable, shall remain in effect even if such benefit was transferred in connection with the spinoff.

34. Section 6.06(b) of the Plan is amended to replace the term “Prudential Traditional Retirement Plan” with “Prudential Traditional Retirement Plan or the Advisors Traditional Retirement Plan (as applicable)”.

35. Section 6.06(c) of the Plan is amended to replace the term “Prudential Traditional Retirement Plan” with “Prudential Traditional Retirement Plan or the Advisors Traditional Retirement Plan (as applicable)”; and to replace the term “Prudential Cash Balance Plan” with “Prudential Cash Balance Plan or the Advisors Cash Balance Plan (as applicable)”.

36. The second paragraph of Section 8.01(a) of the Plan is amended to read as:

    No amendment will be considered as having the effect of reducing a Participant's accrued Benefits under the Plan if the change, when taken together with other changes in a Participant's compensation or the Prudential Merged Retirement Plan and/or the Prudential Retirement Plan for Advisors made concurrently with the amendment, does not result in total payments by the Company, its Affiliates, and the Prudential Merged Retirement Plan and/or the Prudential Retirement Plan for Advisors being reduced or of lesser value.

37. All capitalized terms not defined herein shall have the meanings ascribed to them in the Supplemental Plan.

38. Except where otherwise expressly amended herein, the Supplemental Plan is ratified and confirmed and shall continue in full force and effect.

Adopted on behalf of The Prudential Insurance Company of America.

Date: December 19, 2025

By: /s/ Vicki Walia
Vicki Walia
Executive Vice President,
Chief People Officer

Exhibit 10.47

ELEVENTH AMENDMENT
TO THE
PRUDENTIAL Supplemental Employee SAVINGS PLAN

(Effective as of January 1, 2006)

(Amending to reflect the establishment of The Prudential Savings Plan for Advisors, its addition to the Plan as a "supplemented" plan and to change the Plan's name)

Purpose and Background:

A. Pursuant to Section 7.1(b) of the Prudential Supplemental Employee Savings Plan (the "Plan"), the Executive Vice President and Chief People Officer (or successor thereto) ("EVP-CPO") of The Prudential Insurance Company of America ("Prudential") may amend the Plan to make ministerial changes that are necessary or appropriate to reduce complexity or minimize administrative expenses and to make minor changes necessary or advisable for purposes of compliance with applicable laws and regulations.

B. In March 2025, the Compensation and Human Capital Committee of the Board of Directors of Prudential adopted resolutions authorizing the establishment of separate 401(k) savings, retirement and welfare benefit plans for eligible financial advisors, including those currently participating in the Company's benefit plans.

C. Pursuant to the foregoing resolutions, Prudential is spinning off, effective as of January 1, 2026, certain assets and liabilities of The Prudential Employee Savings Plan ("PESP") related to the accounts of eligible financial advisors thereunder (the "Plan Spin-Off") to create a substantially similar defined contribution plan, to be known and referred to as The Prudential Savings Plan for Advisors (the "Advisors Savings Plan"). Concurrently, PESP is being amended to reflect the Plan Spin-Off.

D. In order to comply with Section 409A of the Internal Revenue Code and the regulations thereunder, Plan participants' deferral elections for a given year are required to be irrevocable once made. Therefore, any individuals participating in this Plan who transfer between PESP and the Advisors Savings Plan, either in connection with the January 1, 2026 Plan Spin-Off or thereafter, must have their existing irrevocable deferral elections under the Plan continued, despite the participant's transfer to another defined contribution plan within the Prudential controlled group.

E. The EVP-CPO deems it advisable to amend the Plan to add the Advisors Savings Plan as a "supplemented" plan, and to document the continuance of the irrevocable deferral elections under the Plan for those individuals who transfer between PESP and the Advisors Savings Plan, ensuring administrative consistency and compliance with applicable law and to change the Plan's name to be the Prudential Supplemental Savings Plan.

F. The EVP-CPO has determined that the foregoing amendment is within the scope of authority granted to her with respect to the Plan.

Resolution:

Effective as of January 1, 2026, the Plan is amended in the following respects:

1. The Preamble of the Plan is amended by replacing the last paragraph therein with the following three paragraphs, to read as follows:

> For clarification purposes, in no event shall any amounts deferred under the Plan receive after-tax treatment similar to the Roth Elective Deferrals in PESP or the Roth 401(k) Contributions in the Advisors Plan.
>
> Effective January 1, 2026, The Prudential Savings Plan for Advisors (the "Advisors Plan"), a substantially similar defined contribution plan to PESP, is spinning off from PESP, and is simultaneously added as a "supplemented" plan hereunder.
>
> Effective January 1, 2026, the name of the Plan will be the "Prudential Supplemental Savings Plan."

2. The first sentence of Article I of the Plan, and the definitions of “Compensation”, “Earnings”, “Employee”, and “Employer” under the Plan, are each amended to replace the phrase “PESP” therein, with “PESP and/or the Advisors Plan, as applicable”.

3. Article I of the Plan is amended by adding the following new Section 1.1A to be entitled, “Advisors Plan” immediately after Section 1.1 “Account” and the existing Section 1.1A (and all cross-references thereto) shall be renumbered to 1.1B accordingly:

> 1.1A “Advisors Plan” means The Prudential Savings Plan for Advisors, as adopted effective as of January 1, 2026, as the same may be in effect from time to time, including any successor plan.

4. The definition of “Plan” is amended in its entirety, to read as follows:

> “Plan” means this Prudential Supplemental Employee Savings Plan, as amended from time to time, and which, effective as of January 1, 2026, shall be renamed the Prudential Supplemental Savings Plan. "2001 Plan" means the Prudential Supplemental Employee Savings Plan as in effect from January l, 2001 through close of business December 31, 2001.

5. The definition of “Status Date” under the Plan is amended in its entirety, to read as follows:

> “Status Date” means the later of (i) January 1, 2008, and (ii) the first to occur between the Participant’s (x) Employment Commencement Date, as such term is defined in PESP, or (y) Service Commencement Date, as such term is defined in the Advisors Plan, as applicable.

6. Sections 2.1, 2.2(a), 2.2(b), 3.2(b), and 6.3(b) of the Plan are each amended to replace the phrase “PESP” therein, with “PESP and/or the Advisors Plan, as applicable”.

7. Section 2.2(c) of the Plan is amended by adding a new sentence to the end thereto, to read as follows:

> Notwithstanding anything herein to the contrary, a Participant who has an irrevocable deferral election in effect with respect to a Plan Year hereunder, shall continue to participate in the Plan, including with respect to such irrevocable deferral election, regardless of any automatic transfer of the Participant’s participation from PESP to the Advisors Plan, or vice versa.

8. The second paragraph of Section 3.1 of the Plan is amended in its entirety, to read as follows:

> The amount of 401(a)(17) Deferral that may be credited to a Participant’s Account under the Plan for any Plan Year will be equal to a percentage of the Participant’s Earnings selected at the direction of the Participant (at a time and in a form or manner satisfactory to the Committee or its designee), but not more than the maximum percentage of Earnings that results in a Company Matching Contribution under section 4.04(a) of PESP or section 5.01 of the Advisors Plan, as applicable (4% as of the Effective Date). However, notwithstanding the selected percentage, the 401(a)(17) Deferral credit shall not be more than the additional amount that would have been allocated to PESP and/or the Advisors Plan, as applicable, on the Participant’s behalf as Before-Tax Contributions but for the application of the Code Compensation Limit for such Plan Year.

9. Section 4.1 of the Plan is amended to replace the phrase “PESP Accounts” therein, with “PESP Accounts and/or Advisors Plan Accounts, as applicable”.

10. Section 6.3(a) of the Plan is amended in its entirety, to read as follows:

> (a) A Participant may designate his or her Beneficiary for purposes of this Plan in a writing delivered to the Committee prior to death in accordance with procedures established by the Committee. If a Participant has not properly designated a Beneficiary for purposes of this Plan, any designation by such Participant of a Beneficiary under PESP or the Advisors Plan, as applicable, or determination of a Beneficiary under PESP or the Advisors Plan, as applicable, shall also apply for purposes of this Plan. Any provisions of PESP or the Advisors Plan, as applicable, governing the manner of designating or recognizing a Beneficiary or limiting the amount of a benefit payable to such person shall also apply for purposes of this Plan. The foregoing sentence shall include the spousal consent requirement set forth in Section 6.3(b) below. To the extent a Participant participated in PESP and the Advisors Plan, and such Participant submitted different Beneficiary

designations under each plan, the Beneficiary designation or determination of a Beneficiary under the plan which the Participant last participated in, on or before his or her death, shall control for these purposes.

11. All capitalized terms not defined herein shall have the meanings ascribed to them in the Plan.

12. Except where otherwise expressly amended herein, the Plan is ratified and confirmed and shall continue in full force and effect.

Adopted on behalf of The Prudential Insurance Company of America.

Date: December 19, 2025

By: /s/ Kate Tekker
Vicki Walia
Executive Vice President,
Chief People Officer

Ann M. Kappler
Executive Vice President, General Counsel
and Head of Corporate Affairs

Prudential Financial, Inc.
751 Broad Street, Newark, NJ 07102
Tel 973 802-9133
Ann.Kappler@prudential.com

February 6, 2026

Caroline Feeney
[_____]
[_____]

Dear Caroline,

As you are aware, Prudential Financial Inc. ("PFI") advised you that it would be eliminating your position and terminating your employment effective March 31, 2026. This Letter Agreement ("Letter Agreement") will memorialize our agreement regarding your continued employment with PFI until October 31, 2026 (the "Separation Date"). PFI and its affiliates, subsidiaries and related Companies and each of their successors and assigns shall collectively be referred to herein as the "Company." If you do not agree to the terms of this Letter Agreement, your employment will be terminated effective March 31, 2026, unless terminated for "Cause" (as defined in the Prudential Severance Plan, as amended from time to time (the "Severance Plan")) prior to that date.[1] You and the Company together shall be referred to in this Letter Agreement as the "Parties".

PFI's Promises:

Subject to the conditions set forth in this Letter Agreement, the terms and conditions of the applicable plans and programs referenced or attributed immediately below and approval by the Board, PFI agrees to the following in exchange for your promises herein:

- to allow you to continue your employment with PFI through the Separation Date at your current salary, which is $950,000 per year, less applicable taxes, withholdings and deductions, plus the employee benefits in which you currently participate;
- not to terminate your at-will employment, except for "Cause" (as defined in the Severance Plan) before the Separation Date;
- to exercise its discretion and provide you with a 2025 performance year Annual Incentive payment in the gross amount of $3,021,000. This payment will be made in a lump sum, less applicable taxes, deductions, and withholdings before March 15, 2026. Your eligibility to receive any of this payment is contingent upon your remaining employed by PFI through the date that this payment is made;
- to exercise its discretion and grant you, on or about February 9, 2026 (the "Grant Date"), a long-term incentive award subject to the terms and conditions of the Long-Term Incentive Program for the applicable year under the Prudential Financial, Inc. 2021 Omnibus Incentive Plan, as amended from time to time (the "PFI 2021 Omnibus Plan"), with an initial compensation value of $7,200,000 on the Grant Date (the "2026 LTI"). The 2026 LTI will be comprised of Restricted Stock Units and/or Performance Shares, the amount of each will be determined in the sole discretion of the Board. Your eligibility to receive the 2026 LTI is contingent upon you remaining employed by PFI through the Grant Date;
- to pay you the gross amount of $100,000, less taxes and lawful deductions and withholdings, in lieu of outplacement services and to help offset certain accounting, tax and financial planning costs incurred by you relating to your separation from employment.

[1] If you choose not to sign this Letter Agreement and your employment is terminated effective March 31, 2026 due to a job elimination, you will be eligible to receive a severance payment in accordance with, and subject to, the Severance Plan.

Your Promises:

In consideration of the promises made by PFI herein, you agree:

- On behalf of yourself and your heirs, executors, administrators, successors and assigns, to fully and forever waive, release and give up any legally-waivable claim you may have against the Company, its benefits plans and arrangements, the trustees, fiduciaries and administrators of those plans and arrangements, and any of the Company's present or past employees, officers, directors, agents and contractors, and each of their predecessors, successors and assigns ("Prudential"), as of the date you sign this Letter Agreement. This includes, but is not limited to, all claims arising from or based on your employment with the Company, the termination of such employment, and your purchase or attempt to purchase any real property, as well as, to the fullest extent permitted by law, any claims attributable to: defamation, detrimental reliance, common law, contract, quasi-contract or tort, unpaid salary, compensation or benefits, equitable claims, all statutory claims, including but not limited to claims under the Employee Retirement Income Security Act of 1974, as amended, the Internal Revenue Code of 1986, as amended, Title VII of the Civil Rights Act of 1964, the Civil Rights Act of 1991, the Americans with Disabilities Act, Section 1981 of the Civil Rights Act of 1866, the federal Equal Pay Act, the Family and Medical Leave Act, the Worker Adjustment and Retraining Notification Act, the New Jersey Law Against Discrimination, the New Jersey Conscientious Employee Protection Act, the New Jersey Equal Pay Act, the New Jersey Wage and Hour Law, the New Jersey Wage Payment Act, the New Jersey Family Leave Act and any federal, state, or local law, constitution, statute, regulation, ordinance and/or public policy and, to the fullest extent permitted by law, any claims for wages, overtime, severance pay, bonus pay, commissions, incentive compensation, sick leave, or any other fringe benefit. This includes a waiver of claims that you know about and claims that you may not know about.
- Notwithstanding anything in this Letter Agreement to the contrary, you are not waiving, releasing or giving up any claim for: (i) workers' compensation or unemployment benefits, (ii) vested accrued benefits earned under an employee benefits plan maintained by the Company and governed by the Employee Retirement Income Security Act of 1974, as amended, (iii) any right to enforce this Letter Agreement, (iv) any right you have to indemnification under a Company policy or by-law; or (v) any future claims. You are also not waiving your right to report or file a charge with, cooperate with, or make any disclosures to any governmental, regulatory or self-regulatory agency, or organization ("Agency), including, by way of example only, the Equal Employment Opportunity Commission, the Securities and Exchange Commission, or the National Labor Relations Board, or to take part in any Agency investigation or proceeding. You do not need the prior authorization of the Company to engage in conduct protected by the preceding sentence, and you do not need to notify the Company that you have engaged in such conduct. This Agreement does not affect, however, your right to receive and retain an award from an Agency for information provided to the Agency regarding a possible violation of law, such as awards under Section 21F of the Securities Exchange Act of 1934.

Other Terms and Conditions:

- You will not work for another employer until after the Separation Date.
- You will abide by all Company polices until the Separation Date.
- You will not disparage the Company, the Company's strategy or any of the Company's employees during your employment with the Company.
- All cash payments under this Letter Agreement will be subject to W-2 reporting. You will be solely responsible for all tax obligations, including all reporting and payment obligations which may arise as a consequence of this Letter Agreement and payment of the consideration hereunder.
- All payments hereunder are intended to be exempt from or comply with the requirements of Sections 409A and 457A of the Internal Revenue Code of 1986, as amended, and the regulations and guidance promulgated thereunder and this Letter Agreement shall be so administered and interpreted.

Payments and Benefits Payable Following Separation:

You also will be eligible for certain payments and benefits upon your separation from PFI, as described and reflected in bullet points immediately below (the "Separation Benefits), provided, that you sign a Separation Agreement and General Release ("SAGR") in form and content satisfactory to the Company within forty-five (45) days after your Separation Date (and do not revoke it)[2]. The earliest you can sign your SAGR will be the day following your Separation Date.

[2] Your execution of this Letter Agreement does **not** satisfy the SAGR execution requirement that is applicable to the Separation Benefits; and you will not be eligible to receive such Separation Benefits if you do not timely execute (without revocation) the SAGR.

- An estimated severance payment in the gross amount of $5,162,500, less any applicable taxes, withholdings and deductions, payable in accordance with, and subject to, the Severance Plan.
- A prorated annual incentive award for the 2026 performance year in the estimated gross amount of $2,375,000, subject to the Company performance factor.
- The continued vesting of any unvested and outstanding long-term incentive awards you have received under the PFI 2021 Omnibus Incentive Plan, or it predecessor, pursuant, and subject, to the applicable terms and conditions.
- Subsidized COBRA for the 12-month period following your Separation Date.

As we approach the Separation Date, you will be provided with: (1) a separate letter that describes in more detail these Separation Benefits and the conditions to receive them, and (2) a copy of the required SAGR to be signed by you, which is attached to this Letter Agreement as Exhibit A).

You will not be eligible for the above-referenced Separation Benefits if any of the following occurs prior to your Separation Date, unless your receipt of the Separation Benefits is prescribed by state law:

- You do not satisfy the terms of this Letter Agreement;
- You voluntarily terminate your employment for any reason;
- Your employment is terminated for "Cause" as defined in the Severance Plan.

In the event you inform the Company you have secured a role with another employer and need to commence that employment before the Separation Date, at your request, your separation date will be adjusted accordingly. You understand and agree that your salary and benefits will terminate as of the adjusted separation date and any payments and benefits whose value or eligibility is dependent on, or affected by the earlier separation date, including your pro rata 2026 AIA, PTO, and benefit plan credits/contributions will be adjusted downward and/or calculated as of the new separation date in accordance with any applicable plan documents. For the avoidance of doubt, the amount of your estimated severance payment and the treatment of your outstanding long term incentive awards will not be impacted by the adjusted separation date and you will receive the severance payment and continued vesting of your outstanding long term incentives in accordance with the plan documents and provided that you comply with this Letter Agreement and sign and do not revoke the SAGR.

Merger Clause:

This Letter Agreement, any grant agreements or plan documents relating to benefits and long-term incentive awards, any agreement between you and the Company relating to your obligation to repay monies or benefits, the Corporate Asset Protection Agreement (collectively referred to as "the Documents"), are the entire agreement between you and the Company regarding the continuation of your employment through the Separation Date, and supersede any prior verbal or written agreements, promises or representations. No other promises or agreements have been made to you other than those set forth in the Documents. In deciding to sign this Letter Agreement, you have not relied upon any statement by anyone associated with the Company that is not contained in the Documents. You and PFI agree that this Letter Agreement may not be modified, altered, or changed except by a written agreement signed by PFI and you.

Sufficiency of Consideration; No Admission of Liability:

The Parties agree that the promises described above are good and sufficient consideration for this Agreement. You acknowledge that neither this Letter Agreement nor the SAGR, nor any consideration pursuant to this Letter Agreement or the SAGR, shall be taken or construed to be an admission or concession of any kind with respect to any alleged liability or alleged wrongdoing by Prudential. Prudential specifically disclaims any liability to you.

Governing Law:

The governing law of this Letter Agreement will be the substantive and procedural law of the State of New Jersey.

Cooperation:

You agree to cooperate with reasonable requests by the Company and/or its counsel in connection with any investigation, administrative or regulatory proceeding, or litigation relating to any manner in which you were involved or of which you have knowledge as a result of your employment with the Company. Such cooperation may include, without limitation, providing truthful and accurate testimony in any hearing or trial as requested by the Company, and spending all appropriate time to prepare for such testimony and meet with counsel relative to same.

Successors and Assigns:

This Letter Agreement shall be binding upon the Parties, and their heirs, representatives, executors, administrators, successors, insurers, and assigns, and shall inure to the benefit of Prudential, and to their heirs, representatives, executors, administrators, successors, and assignees. You shall not assign, transfer, delegate, or otherwise dispose of, whether voluntarily or involuntarily, by operation of law or otherwise, this Letter Agreement or any rights, obligations, claims or interests herein and any purported assignment, transfer, delegation, or other disposition in violation of this section shall be null and void.

Attorneys' Fees and Costs:

The Parties agree that they shall bear their own respective costs and fees, including but not limited to attorneys' fees, in connection with the negotiation and execution of this Letter Agreement.

If you are in agreement with the terms and conditions of this Letter Agreement, please sign below and return it to me by the close of business on February 7, 2026.

Sincerely,

/s/ Ann Kappler

Ann Kappler, Executive Vice President

Agreed:

/s/ Caroline Feeney

Caroline Feeney

Dated: February 7, 2026

Exhibit A

SEPARATION AGREEMENT AND GENERAL RELEASE

This is a Separation Agreement and General Release (the "Agreement") between the undersigned former employee and Prudential Financial, Inc., its parents, affiliates and subsidiaries, and each of their successors and assigns (the "Company").

1. End of Employment - My employment with the Company ended on October 31, 2026 (the "Separation Date").

2. Payments and Benefits - In exchange for my promises in this Agreement, the Company will provide me with certain benefits described in the letter from Ann Kappler to me dated February 6, 2026, (the "Letter"), which is incorporated herein and made a part hereof**.**

3. Consideration - I recognize that under the Company's policies and practices, I am not entitled to receive certain separation or severance benefits described in the Letter (the "Benefits") unless I sign this Agreement. These Benefits do not include any severance benefit that I am entitled to receive upon my separation of employment pursuant to the New Jersey Worker Adjustment and Retraining (WARN) Act. I also recognize that, other than the Benefits, I am not entitled to any other benefits from the Company in exchange for my promises in this Agreement. I recognize that these Benefits are enough to compensate me for my promises in this Agreement.

4. General Release - In exchange for the Benefits, I, my heirs, executors, administrators, successors and assigns, fully and forever waive, release and give up any legally-waivable claim I may have against the Company, its employee benefits plans and arrangements, the trustees, fiduciaries and administrators of those plans and arrangements, and any of its present or past employees, officers, directors, agents and contractors, and each of their predecessors, successors and assigns ("Prudential"), as of the date I sign this Agreement. This includes, but is not limited to, all claims arising from or based on my employment with the Company or my separation from employment as well as, to the fullest extent permitted by law, any claims attributable to: common law, contract, quasi-contract or tort, unpaid salary, compensation or benefits, all statutory claims, including, but not limited to, claims under the Employee Retirement Income Security Act of 1974, as amended, the Internal Revenue Code of 1986, as amended, Title VII of the Civil Rights Act of 1964, the Civil Rights Act of 1991, the Americans With Disabilities Act, Section 1981 of the Civil Rights Act of 1866, the Equal Pay Act, the Age Discrimination in Employment Act, as amended by the Older Workers Benefit Protection Act of 1990, the Family and Medical Leave Act, the Worker Adjustment and Retraining Notification Act, the New Jersey Law Against Discrimination, the Conscientious Employee Protection Act, the New Jersey Equal Pay Act, the New Jersey Wage and Hour Law, the New Jersey Wage Payment Act, the Millville Dallas Airmotive Plant Job Loss Notification Act (excluding any right to severance provided pursuant to section 2 of that Act), the New Jersey Family Leave Act and any federal, state, or local law, or any other domestic or foreign law, constitution, statute, regulation, ordinance and/or public policy and, to the fullest extent permitted by law, any claims for wages, overtime, severance pay, bonus pay, commissions, incentive compensation, sick leave, or any other fringe benefit. This includes a waiver of claims that I know about and claims that I may not know about.

5. Representations - Subject to Paragraph 6, I represent that (a) I have no discrimination, harassment or other employment related complaint, charge, or claim pending against Prudential, either individually or in concert with any other person or entity, with any local, state, or federal court; and (b) I will not commence, maintain, or prosecute any discrimination, harassment or other employment related action or lawsuit against Prudential asserting any claim that is waived pursuant to Paragraph 4. I further represent that I have been paid all remuneration owed to me as a result of my employment with Prudential, or the termination of that employment, including, but not limited to, all salary, wages, overtime, vacation pay, bonus pay, profitsharing, stock options, stock, expenses, termination benefits, commissions, or any other compensation, with the sole exception of the Benefits.

6. Matters Not Waived - Notwithstanding Paragraphs 4 and 5 of this Agreement, I am not waiving, releasing or giving up any claim for workers' compensation or unemployment benefits, vested pension or savings plan benefits, or any claim that cannot be legally waived. In addition, I am not waiving my right to challenge the legality of this Agreement as described in Paragraph 15. I am also not waiving my right to report or file a claim or charge with, cooperate with, or make any disclosures to any governmental, regulatory or selfregulatory agency, or organization ("Agency"), including, by way of example only, the Equal Employment Opportunity Commission, the Securities and Exchange Commission, or the National Labor Relations Board, or to take part in any Agency investigation or proceeding. I do not need the prior authorization of the Company to engage in conduct protected by the preceding sentence, and I do not need to notify the Company that I have engaged in such conduct. I am also not waiving my

right to receive and retain an award from an Agency for information provided to the Agency regarding a possible securities law violation, such as awards under Section 21F of the Securities Exchange Act of 1934. In addition, the Company acknowledges that I have the right to seek indemnification under the Company's By-laws and any applicable state laws. I am, however, to the fullest extent permitted by law, waiving my right to recover any individualized monetary relief from Prudential in connection with any discrimination, harassment or other employment related waived claim or any charge, regardless of whether I or another party files such a claim or charge, and if I recover such monetary relief, I will assign, and hereby do assign, to the Company my right and interest to such monetary relief to the fullest extent permitted by law.

7. Confidentiality - To the fullest extent permitted by applicable law and with the exception of communications with an Agency as permitted by Paragraph 11 below, I will not disclose the terms of this Agreement or that I received any payments from the Company to anyone except (i) my attorney, my financial and other advisors, (ii) my immediate family (spouse/domestic partner, children, siblings, parents), (iii) the IRS or other taxing authorities, (iv) as required, during an application for unemployment benefits, or (v) as required by law, regulation, subpoena, or court order or as requested by a regulatory body. I further agree to take all reasonable steps necessary to ensure that confidentiality is maintained by any of the individuals or entities referenced above to whom disclosure is authorized. Notwithstanding this non-disclosure requirement, I agree to disclose this paragraph as well as the restrictions set forth in Paragraphs 10 and 12 to any of my prospective employers.

8. Non-Disparagement - To the fullest extent permitted by applicable law with the exception of communications with an Agency as permitted by Paragraph 11 below, I agree that I will not make any statement or issue any communication, written or otherwise, that in any way disparages, criticizes, reflects adversely on or encourages adverse action against Prudential, or make or solicit any comments, statements, or the like on social media, to the media or to others that may be considered to be derogatory or harmful to the good name or business reputation of Prudential.

9. Return of Company Property/Settlement of Expenses - I acknowledge and agree that I will return to the Company all documents, materials, files, software, formulas, computer access codes, records, identification or credit cards, keys, telephones or other items belonging to, or originating from the Company. The foregoing includes, but is not limited to, Company records including emails, client lists and client materials, vendor materials, spreadsheets and other data, software, and other information or materials in my possession, custody or control including electronic data stored on personal devices. If I was employed as an attorney by the Company, I understand and acknowledge that this paragraph does not preclude me from keeping my own attorney work product even where it contains Confidential Information (as defined below in Paragraph 10), but I agree that I will not, directly or indirectly, disclose to anyone outside the Company, the contents of that work product to the extent it contains privileged or Confidential Information. In addition, I agree to settle any outstanding expense accounts within thirty (30) days of my Separation Date and before receipt of any Benefits under this Agreement, including, if applicable, insuring that I have satisfied all outstanding corporate credit card balances, to the Company's satisfaction.

10. Confidential or Proprietary Information - I agree that, by virtue of my employment with the Company and by the nature of the Company's business, I have had access to confidential and proprietary information related to the Company's business. I also understand that I have been provided with specialized training and mentoring that is unique and proprietary to the Company, which draws upon, relies upon and is part of the Confidential Information described herein. Confidential and proprietary information concerning the Company's business includes information about the Company, as is described further in the Corporate Asset Protection Agreement and any other Company policy relating to confidential information, and as is set forth below in subparts (a) – (n) (the "Confidential Information").

    Except as required by law and as permitted by Paragraph 11 below regarding disclosures to Agencies without notice to the company, I agree that I will not, directly or indirectly, disclose to anyone outside the Company, Confidential Information about the Company. Confidential Information relating to the Company's business includes, but is not limited to:

    a. names, addresses and telephone numbers of clients and prospective clients;

    b. account information, financial standing, investment holdings and other personal financial data compiled by and/or provided to or by the Company;

c. specific client financial needs and requirements with respect to investments, financial position and standing;

d. leads, referrals and references to clients and/or prospects, financial portfolio, financial account information, investment preferences and similar information, whether developed, provided, compiled, used or acquired by the Company and/or me in connection with my association with the Company;

e. information received by third parties under confidential conditions;

f. all records and documents concerning the business and affairs of the Company (including copies and originals and any graphic formats or electronic media);

g. methods, procedures, devices and other means used by the Company in the conduct of business;

h. information concerning established business relationships;

i. "trade secrets" as that term is defined by the Uniform Trade Secrets Act (UTSA), which term shall be deemed to include each item of Confidential Information specifically described in this Paragraph;

j. software and other technical, business or financial information, the use or disclosure of which might reasonably be construed to be contrary to the interests of the Company or its clients;

k. privileged information concerning the Company;

l. non-public information about the Company's clients;

m. all other information concerning the Company, or its operations, activities and customers which is not publicly-available from directories or other generally available public sources and have been developed, provided, acquired or compiled by the Company; and

n. all non-public information about employees and persons who have contracted with the Company, including but not limited to Prudential Advisors' Financial Professionals and Emeritus Agents.

I also agree that I will not use any Confidential Information for my own purposes or to the benefit of another person or any entity other than the Company.

11. Permitted Conduct -

(a) Nothing in this Agreement, including, but not limited to, Paragraphs 5, 7, 8, and 10, prevents me from making a disclosure of information or documents (i) to any Agency regarding a possible violation of law, (ii) in response to a subpoena, court order, or other legal process, (iii) in an action to challenge or enforce the terms of this Agreement, including, but not limited to, an action challenging the legality of the Agreement under the Older Workers Benefit Protection Act, or (iv) to the extent required or protected by law, including laws in Oregon, Washington, Colorado, New Jersey, and California that allow residents or current or past employees of those states to discuss or disclose information about unlawful acts in the work place, including discrimination, harassment, retaliation, sexual assault, or any other conduct that I have reason to believe is unlawful. I will cooperate with any Agency that requests me to provide testimony or information about Prudential. I understand that the Company has not waived any applicable privileges, including, but not limited to, the attorney-client privilege and the attorney work product doctrine, including information that would reveal the existence or contemplated filing of a suspicious activity report.

(b) Notwithstanding any other provision in this Agreement, including, but not limited to, Paragraph 10, and in compliance with the Defend Trade Secrets Act of 2016 (DTSA) (codified at 18 U.S.C. § 1833), I understand that I shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made (i) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney, and (ii) solely for the purpose of reporting or investigating a suspected violation of law. I further understand that I shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. I also understand that if I file a lawsuit concerning alleged

retaliation by Prudential for reporting a suspected violation of law, I may disclose trade secrets to my attorney and use the trade secret information in the court proceeding, if I (i) file any document containing the trade secret under seal, and (ii) do not disclose the trade secret, except pursuant to court order.

(c) If I was not employed as a supervisor, as that term is defined by the National Labor Relations Act ("NLRA"), then nothing in this Agreement including, but not limited to, Paragraphs 5, 7, 8, and 10, restrains, interferes with, or waives my rights under Section 7 of the NLRA. In particular, I am permitted to assist employees or former employees with workplace issues, discuss this Agreement with other employees, and NLRB agents, and critique Prudential's policies, publicize labor disputes, and make public statements about my past employment with Prudential as long as my communications are not so disloyal, reckless, or maliciously untrue as to lose the protection of the NLRA.

12. Post-Termination Obligations

(a) Non-Solicitation of Clients -

i. I understand and acknowledge that the Company considers its client and customer relationships important and valuable assets. Accordingly, in consideration of the Benefits described herein, I understand and agree for a period of two years after the Separation Date that I may not on my own behalf or that of any other persons or entities, directly or indirectly solicit or attempt to solicit, induce to leave or attempt to induce to leave, initiate contact with or divert from doing business with the Company, any then current customers, clients, or other persons or entities that were serviced by me or whose names became known to me by virtue of my employment by the Company, or otherwise interfere with the relationship between the Company and such customers, clients, or other persons or entities. For purposes of this paragraph, the term "solicit" means that I will not initiate, whether directly or indirectly, any contract or communication, of any kind whatsoever, for the purpose of inviting, encouraging or requesting a client, or that may have the effect of inviting, encouraging or requesting a client to: (a) transfer his or her account from the Company to me or to my new employer; or (b) open a new account with me or my new employer; or (c) otherwise discontinue its existing business relationship with the Company.

ii. I understand and agree that the Company has developed and uses a unique business model for the offering of investment and insurance products and services. Specifically, I acknowledge and understand that the vast majority of clients with whom I have worked at the Company have pre-existing client relationships with the Company. Additionally, I have worked with other Company associates to develop and strengthen these relationships on behalf of the Company. The client relationships developed at the Company flow directly from the goodwill, reputation, name recognition, Confidential Information, specialized training, mentoring and expenditures made by the Company.

This platform and relationship model developed by the Company is special and unique to the Company, and has provided me and the Company with a unique opportunity to service and interact with clients and customers in ways not known or available to competitors.

iii. This provision shall not apply to the solicitation of clients in California and North Dakota, so long as the solicitation does not involve the use of Confidential Information.

iv. Nothing in this Agreement prevents me from seeking or accepting employment with any competing entity.

(b) Non-Solicitation of Employees and Others –

I understand and acknowledge that the Company views its relationships with its employees and Prudential Advisors' Financial Professionals and Emeritus Agents (collectively, the "Personnel"), as important and valuable assets and consider non-public information about the Personnel to be Confidential Information. Accordingly, in consideration of the Benefits described herein, I understand and agree for a period of two years after the Separation Date that I may not on my own behalf or that of any other persons or entities, directly or indirectly (1) solicit or induce, or attempt to solicit or induce, to leave or resign from the Company or to apply for or accept employment or association elsewhere, any of the Company's current Personnel, and/or any former Personnel who resigned from the Company within 12 months prior to any such solicitation, inducement, or

application for employment or association, or (2) hire, employ, or associate with, or facilitate, aid, or assist in the hiring of, employment of, or association with the Personnel. If it is determined by any court, tribunal or an arbitrator that any restrictive covenant contained herein, or any part thereof, is unenforceable because of the duration or scope of such provision, any or all parts of this Paragraph 12, as such case may be, shall be reformed and/or re-written so that such provisions become enforceable and, as reformed or re-written, shall then be enforced.

(c) I acknowledge that I have carefully considered the nature and extent of the restrictions upon me and the rights and remedies conferred upon the Company in this Paragraph 12. I acknowledge that these restrictions are reasonable in time and geographic scope, are fully required to protect the legitimate interests of the Company and its customers and do not confer a benefit upon the Company which is disproportionate to any detriment to me. I further acknowledge that the terms and conditions of this Agreement incorporate and/or supplement the terms and conditions of my employment by the Company and are reasonable and necessary to protect the valued business interests of the Company and that I have received good and valuable consideration for entering into this Agreement.

13. No Duty to Re-employ - I agree that the Company has no duty to rehire or reemploy me in the future on a full-time, part-time or temporary basis. This includes, but is not limited to, using my services as a temporary or contingent worker, or contractor through any temporary services providers, vendors, or agencies.

14. Non-Admission - By signing this Agreement, I recognize that Prudential does not admit that it had done anything wrong and Prudential specifically states that it has not violated any federal, state, or local laws.

15. Violation of Agreement - I understand and agree that a breach of this Agreement by me, including, but not limited to, any breach, evasion, violation or threatened violation of any term of the Confidential or Proprietary Information and Post-Termination Obligations set forth in Paragraphs 10 and 12 above by me, may cause immediate and irreparable injury to the Company that cannot adequately be compensated by monetary damages. I further agree that the Company may seek immediate injunctive relief and/or specific performance in any court of competent jurisdiction for any such breach without affecting the legality of this Agreement, including the General Release in Paragraph 4. I specifically agree as well as to all other legal or equitable remedies and DTSA remedies, where applicable to which the Company may be entitled. In addition, if I break my promise in Paragraphs 4 and 5 about claims I have released, I agree to pay for all costs incurred by Prudential, including its reasonable attorneys' fees, defending against any claim made by me. This paragraph does not prevent me from challenging the legality of this Agreement in a legal proceeding under the Older Workers Benefit Protection Act, 29 U.S.C. § 626 (f) about claims under the Age Discrimination in Employment Act and such a challenge will not be considered a breach of this Agreement. This paragraph does not prevent me from challenging that a provision in this Agreement is unlawful under the NLRA and such a challenge will not be considered a breach of this Agreement. This paragraph, however, is not intended to and will not limit the right of a court to decide, in its discretion, that Prudential is entitled to repayment or a setoff of any payments made to me should this Agreement be found to be invalid as to the release of claims under the Age Discrimination in Employment Act. This paragraph also does not affect Prudential's right to recover costs, including attorneys' fees, if allowed under federal or state law.

16. If Prudential breaches this Agreement I understand that I have the right to seek in court injunctive relief, damages and attorneys' fees.

17. Cooperation - I agree to make myself reasonably available to cooperate with the Company in any internal investigation or administrative, regulatory, or judicial proceeding. I understand and agree that my cooperation could include, but not be limited to, making myself available to the Company on reasonable notice for interviews and factual investigations; appearing at the Company's request to give testimony without needing service of a subpoena or other legal process; volunteering to the Company relevant information; and turning over all relevant documents and information which are or may come into my possession. I understand that if the Company asks for my cooperation under this provision, the Company will reimburse me for reasonable expenses on my submission of proper documentation.

18. Coverage and Eligibility - I am being separated from my employment in connection with a group layoff. I understand that employees who are separated from their employment in connection with a group layoff have the opportunity to receive certain severance benefits in exchange for their execution and non-revocation of a Separation Agreement and General Release. I have been provided with an Attachment A, which explains the impacted decisional unit, eligibility factors, the time limits that apply to receipt of these benefits, and the job titles and ages of

all individuals in the decisional unit who will be eligible for benefits if they are separated from employment due to the group layoff (consistent with the eligibility factors), and the job titles and ages of all individuals in the decisional unit who are not being separated from employment due to the group layoff.

19. Entire Agreement - This Agreement, the Letter, any grant agreements or plan documents relating to stock option or restricted stock awards, any agreement between me and the Company relating to my obligation to repay monies or benefits, and the Corporate Asset Protection Agreement (collectively referred to as "the Documents"), are all of the agreements between the Company and me concerning the end of my employment. No other promises or agreements, whether written or oral, have been made to me other than those contained in the Documents. In deciding to sign this Agreement, I have not relied on any statement by anyone associated with Prudential that is not contained in the Documents. I agree that this Agreement may not be canceled, modified, altered, or changed except by a written agreement signed by the Company and me.

20. Severability - I agree that if any provision of this Agreement is held to be illegal, invalid or unenforceable, that provision will not be a part of this Agreement. The legality of the Agreement and the remaining provisions will not be affected by a finding that any provision of this Agreement is illegal, invalid or unenforceable.

21. Acknowledgments - I recognize, understand and agree that:

    (a) My time to review and consider this Agreement starts upon receipt and continues through and including the 45th day following my Separation Date set forth above. This offer will expire at midnight on the 45th day after my Separation Date. If this Agreement is not signed and submitted by DocuSign to the Company on or before this date, then it will have no further force or effect and will not be binding on the Company. If I am not able to sign electronically through DocuSign, I can submit all pages of the signed Separation Agreement and General Release via regular mail to The Prudential Insurance Company of America, 751 Broad Street, Floor 21, Newark, NJ 07102-3714.

    (b) I may revoke this Agreement after I sign it by delivering written notice to The Prudential Insurance Company of America, 751 Broad Street, Floor 21, Newark, NJ 07102-3714 before the close of business seven days after I sign this Agreement. This Agreement will not become effective or enforceable until eight days after I sign it. If I revoke this Agreement, it will not be effective or enforceable and I will not receive the Benefits;

    (c) By this paragraph, the Company advised me to consult with an attorney before signing this Agreement;

    (d) I have carefully read this entire Agreement, fully understand what this Agreement means, and am signing this Agreement knowingly and voluntarily.

22. Governing Law - The governing law of this Agreement will be the substantive and procedural law of the state where I physically worked the majority of time during the 12 month period prior to the date of the Letter.

23. Validity - This offer will expire on the 45th day after the Separation Date set forth above. If this Agreement is not signed and returned to the Company by that date it will have no further force or effect and will not be binding on the Company.

24. Counterparts - This entire Agreement can be signed in counterparts.

25. Boards and Officerships - I hereby resign from all board, officer, and committee positions held as a result of my position with the Company.

I UNDERSTAND THAT BY SIGNING THIS AGREEMENT, TO THE FULLEST EXTENT DESCRIBED ABOVE AND PERMITTED BY LAW, I WILL BE WAIVING MY RIGHTS UNDER FEDERAL, STATE AND LOCAL LAW, INCLUDING, BUT NOT LIMITED TO, THE AGE DISCRIMINATION IN EMPLOYMENT ACT, AS AMENDED BY THE OLDER WORKERS BENEFIT PROTECTION AGE OF 1990, TO BRING ANY CLAIMS THAT I HAVE OR MIGHT HAVE AGAINST PRUDENTIAL. I ACKNOWLEDGE THAT PRUDENTIAL HAS ADVISED ME TO CONSULT WITH COUNSEL BEFORE SIGNING. I ENTER INTO THIS AGREEMENT FREELY AND KNOWINGLY, AFTER CAREFUL CONSIDERATION OF ITS TERMS, AND WITH THE INTENT TO WAIVE, SETTLE AND RELEASE ALL CLAIMS.

ALTHOUGH THE PARTIES MAY HAVE AGREED TO KEEP THE AGREEMENT AND/OR SETTLEMENT AND UNDERLYING FACTS CONFIDENTIAL, SUCH A PROVISION IN AN AGREEMENT IS UNENFORCEABLE AGAINST THE EMPLOYER IF THE EMPLOYEE PUBLICLY REVEALS SUFFICIENT DETAILS OF THE CLAIM SO THAT THE EMPLOYER IS REASONABLY IDENTIFIABLE.

DO NOT SIGN OR SUBMIT THIS AGREEMENT UNTIL AFTER YOUR SEPARATION DATE. IF YOU SIGN OR SUBMIT YOUR AGREEMENT PRIOR TO YOUR SEPARATION DATE, THE BENEFITS DESCRIBED IN THE LETTER WILL NOT BE PROCESSED AND YOU WILL BE REQUIRED TO SIGN AND SUBMIT A NEW AGREEMENT.

_____ _____

Caroline Feeney Execution Date

Prudential Financial, Inc.

By: _____

Execution Date

Please remember that you should NOT electronically sign your Release prior to your separation date, as noted above and in the Separation Letter. After your separation date, you should sign and submit all pages of the Separation Agreement and General Release using DocuSign. If you are not able to sign electronically through DocuSign, you can submit all pages of the signed Separation Agreement and General Release via regular mail to The Prudential Insurance Company of America, 751 Broad Street, Floor 21, Newark, NJ 07102-3714.

Subsidiary	**Jurisdiction**
210-220 E. 22nd Street SSGA Owner, LLC	Delaware
Adlerwerke CB Investment LLC	Delaware
Administradora Americana de Inversiones S.A.	Chile
Administradora de Fondos de Pensiones Habitat, S.A.	Chile
Administradora de Inversiones Previsionales SpA	Chile
Alexander Forbes Group Holdings Limited	South Africa
Amber Five (GP) Limited	Guernsey
Amber VII GP Limited	Guernsey
AREF Cayman Co Ltd.	Cayman Islands
AREF GP II Pte. Ltd.	Singapore
AREF GP Ltd.	Cayman Islands
Art 10 (GP) Limited	Guernsey
Asia Property Fund III GP S.à r.l.	Luxembourg
ASPF III (Scots) L.P.	Scotland
Assurance Intelligence, LLC	Washington
Assurance IQ, LLC	Washington
AST Investment Services, Inc.	Connecticut
Ballyshannon Holdings III, LLC	Delaware
Ballyshannon Partners (Ireland) III, L.P.	Delaware
Ballyshannon Partners (Rated Feeder Fund GP) III, LLC	Delaware
Blue One Limited	Guernsey
Braeloch Holdings Inc.	Delaware
Braeloch Successor Corporation	Delaware
Brazilian Capital Fund GP Limited	Cayman Islands
Broad Street Global Advisors LLC	Delaware
Broad Street Holdings I, LLC	Delaware
Broad Street Partners (Rated Feeder Fund GP) I, LLC	Delaware
Broad Street Partners I, L.P.	Delaware
Broome Street Holdings, LLC	Delaware
Canal Street Holdings VII, LLC	Delaware
Canal Street Partners (Rated Feeder Fund GP) VII, LLC	Delaware
Canal Street Partners VII (Ireland), L.P.	Delaware
Canal Street Partners VII (US), L.P.	Delaware
Capital Agricultural Property Services, Inc.	Delaware
CB German Retail LLC	Delaware
Chadwick Boulevard Investment Holdings Co., LLC	Delaware
CLIS Co., Ltd.	Japan
Colico II, Inc.	Delaware
COLICO, INC.	Delaware
Columbus Drive Partners, L.P.	Delaware
Commerce Street Holdings, LLC	Delaware
Commerce Street Investments LLC	Delaware
Cottage Street Investments LLC	Delaware
Cottage Street Orbit Acquisition, LLC	Delaware

Crockett Street (Rated Feeder Fund GP) II, LLC	Delaware
CROCKETT STREET HOLDINGS II, LLC	Delaware
CROCKETT STREET PARTNERS (SBA) II, L.P.	Delaware
CROCKETT STREET PARTNERS (VA), L.P.	Delaware
CROCKETT STREET PARTNERS II, L.P.	Delaware
CW GA LLC	Delaware
CW PG LLC	Delaware
Dale/P Minerals Limited Partnership	Delaware
Deerpath Capital AU Pty Ltd	Australia
Deerpath Capital GenPar Evergreen, LLC	Delaware
Deerpath Capital GenPar IV, LLC	Delaware
Deerpath Capital GenPar V, LLC	Delaware
Deerpath Capital GenPar VI, LLC	Delaware
Deerpath Capital GenPar VII, LLC	Delaware
Deerpath Capital GP S.à r.l.	Luxembourg
Deerpath Capital Japan LLC	Japan
Deerpath Capital Management, LP	Delaware
Deerpath Capital UK Corporation Ltd.	England & Wales
Deerpath Capital UK LLP	England & Wales
Deerpath Fund Services, LLC	Delaware
Deerpath Funding Advantage IV General Partner, LLC	Delaware
Deerpath Funding General Partner V, LLC	Delaware
Deerpath GP Holdings, LLC	Delaware
Deerpath Korea, Ltd.	Korea (the Republic of)
DICKENS AVENUE HOLDINGS VI, LLC	Delaware
Dickens Avenue Partners (Rated Feeder Fund GP) VI, LLC	Delaware
DICKENS AVENUE PARTNERS VI (Ireland), L.P.	Delaware
DICKENS AVENUE PARTNERS VI (US), L.P.	Delaware
Dryden Finance II, LLC	Delaware
EE GA LLC	Delaware
EE PG LLC	Delaware
EIP GP S.à r.l.	Luxembourg
ELB GA LLC	Delaware
ELB PG LLC	Delaware
EPP Fund II GP LLC	Delaware
EPP Lux Fund II GP S.à r.l.	Luxembourg
Essex, LLC	Delaware
EuroCore GP S.à r.l.	Luxembourg
European Value Partners GP S.a.r.l.	Luxembourg
Everbright PGIM Fund Management Co., Ltd.	China
EVP II GP S.à r.l.	Luxembourg
EVP II Horizon GP S.à r.l.	Luxembourg
EVP II Sprint GP S.à r.l.	Luxembourg
EVP III GP S.à r.l.	Luxembourg
FICG-PG-I Fund GP, LLC	Delaware

Flagstaff, LLC	Delaware
GA 1600 Commons LLC	Delaware
GA 333 Hennepin Investor LLC	Delaware
GA Bay Area GP LLC	Delaware
GA Bay Area Investor LLC	Delaware
GA BV LLC	Delaware
GA E. 22nd Street Apartments Holdings LLC	Delaware
GA JHCII LLC	Delaware
GA Manor at Harbour Island, LLC	Delaware
GA MENLO PARK INVESTOR LLC	Delaware
GA TRITON INVESTOR LLC	Delaware
GA/MDI 333 Hennepin Associates LLC	Delaware
Gateway Holdings II, LLC	Delaware
Gateway Holdings, LLC	Delaware
GDCF Horizon Aggregator GP Pte. Ltd.	Singapore
GDCF Horizon GP Pte. Ltd.	Singapore
GDCF Moon Aggregator GP Pte. Ltd.	Singapore
GDCF Moon GP Pte. Ltd.	Singapore
GDCF Rebound Aggregator GP Pte. Ltd.	Singapore
GDCF Rebound GP Pte. Ltd.	Singapore
GDCF Ruby Aggregator GP Pte. Ltd.	Singapore
GDCF Ruby GP Pte. Ltd.	Singapore
GDCF Sun Aggregator GP Pte. Ltd.	Singapore
GDCF Sun GP Pte. Ltd.	Singapore
GIBRALTAR INDIA SOLUTIONS LLP	India
Gibraltar International Insurance Services Company, Inc.	Delaware
Gibraltar International Service LLC	Delaware
Gibraltar Re Mortgage Holdings Trust No. 1	Delaware
Gibraltar Re Mortgage Holdings Trust No. 2	Delaware
Gibraltar Re Mortgage Holdings Trust No. 3	Delaware
Gibraltar Re Mortgage Holdings Trust No. 4	Delaware
Gibraltar Reinsurance Company Ltd.	Bermuda
Glenealy International Limited	British Virgin Islands
Gold GP Limited	Cayman Islands
Gold II, L.P.	Cayman Islands
Gold III, L.P.	Cayman Islands
Gold, L.P.	Cayman Islands
Graham Resources, Inc.	Delaware
Graham Royalty, Ltd.	Louisiana
Green Tree GP	Cayman Islands
Green Tree, L.P.	Cayman Islands
Halsey Street Investments LLC	Delaware
Hawkeye Financing, LLC	Delaware
High Peak Innovations, LLC	Delaware
Hirakata, LLC	Delaware

Impact Investments Bridges UK S.a.r.l	Luxembourg
Inter-Atlantic G Fund, L.P.	Delaware
Inversiones Previsionales Chile SpA	Chile
Inversiones Previsionales Dos SpA	Chile
IRI Bennington Investor LLC	Delaware
IRI NextGen RE LLC	Delaware
IRI SkyHaven Investor LLC	Delaware
Ironbound Fund LLC	Delaware
IVP Fund GP LLC	Delaware
Jennison Associates LLC	Delaware
Kyoei Annuity Home Co. Ltd. (Kabushiki Kaisha Kyouei Nenkin Home)	Japan
Lafayette Street Mortgage Investor A LLC	Delaware
Lafayette Street Mortgage Investor B LLC	Delaware
Lafayette Street Mortgage Investor C LLC	Delaware
Lake Street Partners IV, L.P.	Delaware
LINEUP LLC	Delaware
Lotus Reinsurance Company Ltd.	Bermuda
Manor at Harbour Island, LLC	Delaware
Marble Gumdrop, LLC	Delaware
Market Street Holdings IV, LLC	Delaware
MCP Opportunity Secondary Program VI SCSp	Luxembourg
MCP Summit Investment VI Lux SCSp	Luxembourg
Montana Capital Partners AG	Switzerland
Montana Capital Partners Jersey (GP) II Limited	Jersey (Country)
Montana Capital Partners Jersey (GP) Limited	Jersey (Country)
Montana Capital Partners Jersey OSP III (GP) Limited	Jersey (Country)
Montana Capital Partners Jersey OSP IV (GP) Limited	Jersey (Country)
Montana Capital Partners Jersey OSP V (GP) Limited	Jersey (Country)
Montana Capital Partners US, LLC	Delaware
Montana Capital Partners VI (GP) S.à r.l.	Luxembourg
Mulberry Street Holdings, LLC	Delaware
Mulberry Street Investment, L.P.	Delaware
Mulberry Street Partners, LLC	Delaware
National Family Assurance Group, LLC	Washington
National Timber Group MidCo	England & Wales
New Savanna	Cayman Islands
New Street Investments Cayman Limited	Cayman Islands
New Street Investments Corporation	Delaware
New Veld, LLC	Delaware
North Rock GP	Cayman Islands
North Rock, L.P.	Cayman Islands
Northbound Emerging Manager Fund II - A LP	Delaware
NPS GDC GP Pte. Ltd.	Singapore
Orchard Street Acres Inc.	Delaware
P1 370 Morgan, LLC	Delaware

PAI A&W Farms, LLC	Delaware
PAI Bay Farm, LLC	Delaware
PAI Bayrock Groves, LLC	Delaware
PAI Belvidere Farms, LLC	Delaware
PAI Big Bend Farms, LLC	Delaware
PAI Big Cypress Farm, LLC	Delaware
PAI Blossom Ranch, LLC	Delaware
PAI Bulldog Ranches, LLC	Delaware
PAI Carneros Vineyard, LLC	Delaware
PAI Centurion Citrus, LLC	Delaware
PAI Champaign Farms, LLC	Delaware
PAI Cobbler Ranch, LLC	Delaware
PAI Corcoran 640 Ranch, LLC	Delaware
PAI County Line Orchards, LLC	Delaware
PAI Cozy Ranch, LLC	Delaware
PAI Crossroads Vineyards, LLC	Delaware
PAI DeKalb Farm, LLC	Delaware
PAI Delano 1500 Ranches, LLC	Delaware
PAI Desert Falcon Farms Manager, LLC	Delaware
PAI Flicker Orchard, LLC	Delaware
PAI Flint River Orchards, LLC	Delaware
PAI Giving Tree Vineyard, LLC	Delaware
PAI Goldwater Orchards, LLC	Delaware
PAI Good Hope Farm, LLC	Delaware
PAI Hawk Creek Ranch, LLC	Delaware
PAI Hills Valley Ranches, LLC	Delaware
PAI Holly Hill Groves, LLC	Delaware
PAI Hunt Farm, LLC	Delaware
PAI Jackson Bayou Farm, LLC	Delaware
PAI Lake Placid Groves, LLC	Delaware
PAI Lucky Charm Farm, LLC	Delaware
PAI River Bend Ranches, LLC	Delaware
PAI Spartan Ranch, LLC	Delaware
PAI Wahluke Orchards, LLC	Delaware
PAI Wallula Gap Vineyard, LLC	Delaware
PAI Wildwood Farm, LLC	Delaware
PAI Zenith Farms, LLC	Delaware
Passaic Fund LLC	Delaware
PCP V Cayman AIV GP, L.P.	Cayman Islands
PEREF II GP S.á r.l.	Luxembourg
PFI EM-Tech Fund I, LLC	Delaware
PFI India Innovation Center Private Limited	India
PG Business Service Co., Ltd	Japan
PG Collection Service Co., Ltd.	Japan
PG Friendly Partners Co., Ltd.	Japan

PGA European Limited	Bermuda
PGI Co., Ltd	Japan
PGIM (Australia) Pty Ltd	Australia
PGIM (Hong Kong) Ltd.	Hong Kong
PGIM (Scots) Limited	Scotland
PGIM (Shanghai) Company Ltd.	China
PGIM (Singapore) Pte. Ltd.	Singapore
PGIM AC Access 1 GP Pte. Ltd.	Singapore
PGIM AC Co-Invest 1 GP Pte. Ltd.	Singapore
PGIM AC Co-Invest GP Pte. Ltd.	Singapore
PGIM Advisory (Shanghai) Co., Ltd.	China
PGIM Agricultural Investments GP, LLC	Delaware
PGIM Alternatives GP S.à r.l.	Luxembourg
PGIM Associated Co-Invest Holdings, LLC	Delaware
PGIM AVP IV GP S.à r.l.	Luxembourg
PGIM AVP V GP S.àr.l.	Luxembourg
PGIM Broad Market High Yield Bond Fund, L.P.	Delaware
PGIM Broad Market High Yield Bond Partners, LLC	Delaware
PGIM Capital Partners (Rated Feeder Fund) VI, L.P.	Delaware
PGIM Capital Partners (Rated Feeder Fund) VII, L.P.	Delaware
PGIM Capital Partners Management (Feeder) VI, LLC	Delaware
PGIM Capital Partners Management Fund VI, L.P.	Delaware
PGIM Credit Secondaries (Rated Feeder Fund) I, L.P.	Delaware
PGIM Custom Harvest LLC	Delaware
PGIM DC Co-Invest GP Pte. Ltd.	Singapore
PGIM DC JV GP Pte. Ltd.	Singapore
PGIM DC Solutions LLC	Delaware
PGIM Deerpath Partners, LLC	Delaware
PGIM Energy Partners (Rated Feeder Fund) II, L.P.	Delaware
PGIM European Financing Limited	Bermuda
PGIM European Services Limited	England & Wales
PGIM Financial Limited	England & Wales
PGIM Fixed Income Alternatives Fund II, L.P.	Delaware
PGIM Fixed Income Alternatives Fund, L.P.	Delaware
PGIM Fixed Income Alternatives GP, LLC	Delaware
PGIM Fixed Income Alternatives II GP, LLC	Delaware
PGIM Fixed Income Core Asset Based Finance Fund GP LLC	Delaware
PGIM Fixed Income Core Asset Based Finance Fund I LP	Delaware
PGIM Fixed Income Core Asset Based Finance Fund II LP	Delaware
PGIM Fixed Income Special Opportunities Fund I (Cayman), LP	Cayman Islands
PGIM Fixed Income Special Opportunities Fund I GP, LLC	Delaware
PGIM Fixed Income Special Opportunities Fund I LP	Delaware
PGIM Foreign Investments, Inc.	Delaware
PGIM GDC GP 2 S.à.r.l.	Luxembourg
PGIM GDC GP 3 LLC	Delaware

PGIM GDC GP I Pte. Ltd.	Singapore
PGIM GDC Row GP Pte. Ltd.	Singapore
PGIM GDC Row Holdco GP Pte. Ltd.	Singapore
PGIM GDCF US Holdco GP LLC	Delaware
PGIM GP S.à r.l.	Luxembourg
PGIM Holding Company LLC	Delaware
PGIM Holding S.à r.l.	Luxembourg
PGIM Holdings Limited	England & Wales
PGIM INDIA ASSET MANAGEMENT PRIVATE LIMITED	India
PGIM INDIA TRUSTEES PRIVATE LIMITED	India
PGIM International Financing Inc.	Delaware
PGIM International Limited	United Arab Emirates
PGIM Investments (Ireland) Limited	Ireland
PGIM Investments LLC	New York
PGIM IRELAND LIMITED	Ireland
PGIM Japan Co., Ltd.	Japan
PGIM Korea Inc.	Korea (the Republic of)
PGIM Large Cap Private Credit Fund (Rated Feeder Fund) I, L.P.	Delaware
PGIM Large Cap Private Credit Fund I, GP LLC	Delaware
PGIM Lending Fund (Stockton) (Rated Feeder Fund), L.P.	Delaware
PGIM Lending Fund (Stockton), L.P.	Delaware
PGIM Limited	England & Wales
PGIM Loan Originator Manager Limited	England & Wales
PGIM LTIF Berlin GP S.à r.l.	Luxembourg
PGIM LTIF Berlin MLP S.àr.l.	Luxembourg
PGIM LTIF GP S.à.r.l.	Luxembourg
PGIM LTIF SH9 GP S.à r.l.	Luxembourg
PGIM Luxembourg S.A.	Luxembourg
PGIM Management Partner Limited	England & Wales
PGIM MetaProp Investor LP LLC	Delaware
PGIM Multi-Asset Solutions LLC	Delaware
PGIM Netherlands B.V.	Netherlands
PGIM NON-U.S. EMPLOYEE CO-INVEST S.C.Sp	Luxembourg
PGIM Non-U.S. Employee GP S.à r.l.	Luxembourg
PGIM Operations Manager, LLC	Delaware
PGIM Private Alternatives (UK) Limited	England & Wales
PGIM Private Capital (Ireland) Limited	Ireland
PGIM Private Capital Limited	England & Wales
PGIM Private Placement Investors, Inc.	New Jersey
PGIM Private Placement Investors, L.P.	Delaware
PGIM QP KE U.S. Employee Co-Invest, L.P.	Delaware
PGIM QUANTITATIVE SOLUTIONS LLC	New Jersey
PGIM RE Promote Member, LLC	Delaware
PGIM RE Vehicle Manager, LLC	Delaware
PGIM Real Estate (Japan) Ltd.	Japan

PGIM Real Estate Advisors LLC	Delaware
PGIM Real Estate Agency Financing, LLC	Delaware
PGIM Real Estate Capital VII GP S.à r.l.	Luxembourg
PGIM Real Estate Carry & Co-Invest GP, LLC	Delaware
PGIM Real Estate Carry & Co-Invest SCSp	Luxembourg
PGIM Real Estate Carry & Co-Invest, L.P.	Delaware
PGIM Real Estate CD S.a.r.l.	Luxembourg
PGIM Real Estate Debt GmbH	Germany
PGIM Real Estate Essential Property Partners II Lux SCSp	Luxembourg
PGIM Real Estate Finance Holding Company	New Jersey
PGIM Real Estate Finance, LLC	Delaware
PGIM Real Estate France SAS	France
PGIM Real Estate Germany AG	Germany
PGIM Real Estate Global Debt GP, LLC	Delaware
PGIM Real Estate Inmuebles II, S de R.L. de C.V.	Mexico
PGIM Real Estate Inmuebles, S. de R.L. de C.V	Mexico
PGIM Real Estate Italy S.r.l.	Italy
PGIM Real Estate Loan Services, Inc.	Delaware
PGIM Real Estate Management Luxembourg S.a.r.l.	Luxembourg
PGIM Real Estate Mexico S.C.	Mexico
PGIM Real Estate MVP Administradora IV, S. de R.L. de C.V.	Mexico
PGIM Real Estate MVP Administradora V, S. de R.L. de C.V.	Mexico
PGIM Real Estate MVP Administradora VI, S. de R.L. de C.V.	Mexico
PGIM Real Estate MVP Inmuebles IV, S. de R.L. de C.V.	Mexico
PGIM Real Estate MVP Inmuebles V, S. de R.L. de C.V.	Mexico
PGIM Real Estate MVP Inmuebles VI, S. de R.L. de C.V.	Mexico
PGIM Real Estate PRISA II Luxembourg PF SCSp	Luxembourg
PGIM Real Estate S. de R.L. de C.V.	Mexico
PGIM Real Estate U.S. CORE Debt Fund GP, LLC	Delaware
PGIM Real Estate U.S. Core Debt Fund, L.P.	Delaware
PGIM Real Estate U.S. Debt Fund GP, LLC	Delaware
PGIM Real Estate U.S. High Yield Debt Fund GP, LLC	Delaware
PGIM Real Estate U.S. Tactical Credit GP LLC	Delaware
PGIM REF Europe GP, S.à r.l.	Luxembourg
PGIM REF Europe Member, LLC	Delaware
PGIM REF EUROPE SCSp	Luxembourg
PGIM REF Intermediary Services, Inc.	Delaware
PGIM Senior Loan Opportunities (Offshore Rated Feeder Fund) II, L.P.	Delaware
PGIM Senior Loan Opportunities (Rated Feeder Fund) II, L.P.	Delaware
PGIM Senior Loan Opportunities (Rated Feeder Fund) III Europe, L.P.	Delaware
PGIM Senior Loan Opportunities Management (Feeder) I, LLC	Delaware
PGIM Senior Loan Opportunities Management (Feeder) II, LLC	Delaware
PGIM Senior Loan Opportunities Management Fund I, L.P.	Delaware
PGIM Senior Loan Opportunities Management Fund II, L.P.	Delaware
PGIM Strategic Financing LLC	Delaware

PGIM Strategic Investments, Inc.	Delaware
PGIM Taronga Investor GP LLC	Delaware
PGIM U.S. Agriculture Fund LP	Delaware
PGIM U.S. Employee Co-Invest GP, LLC	Delaware
PGIM U.S. Employee Co-Invest, L.P.	Delaware
PGIM U.S. Leveraged Loans GP, LLC	Delaware
PGIM USPF VI Manager, LLC	Delaware
PGIM Wadhwani LLP	England & Wales
PGIM Warehouse, Inc.	Delaware
PGIM, Inc.	New Jersey
PGLH of Delaware, Inc.	Delaware
PIFM Holdco, LLC	Delaware
PIIC Limited	Cayman Islands
PIM KF Blocker V Holdings LLC	Delaware
PIM USPF V Manager LLC	Delaware
Pine Tree GP	Cayman Islands
Pine Tree, L.P.	Cayman Islands
PLA Administradora Industrial II, de R.L. de C.V.	Mexico
PLA Administradora Industrial, S. de R.L. de C.V.	Mexico
PLA Administradora, LLC	Delaware
PLA Administradora, S. de R.L. de C.V.	Mexico
PLA Asesoria Profesional II, S. de R.L. de C.V.	Mexico
PLA Asesoria Profesional, S.de R.L. de C.V.	Mexico
PLA Co-Investor LLC	Delaware
PLA Inmuebles Industriales, S. de R.L. de C.V.	Mexico
PLA Mexico Industrial Manager II LLC	Delaware
PLA Retail Fund II Aggregating Manager, LLC	Delaware
PLA Retail Fund II Manager, LLC	Delaware
PLA Retail Fund II U.S. Carry/Co-Invest, LP	Delaware
PLA Retail Fund II, LLC	Delaware
PLA Retail Fund II, LP	Delaware
PLA Services Manager Mexico, LLC	Delaware
PLAI Limited	Cayman Islands
Platinum GP Limited	Cayman Islands
Platinum II, L.P.	Cayman Islands
Platinum III, L.P.	Cayman Islands
Platinum, L.P.	Cayman Islands
PMCF Holdings, LLC	Delaware
PMCF Properties, LLC	Delaware
PPR Canadian Pref Holdco, LLC	Delaware
Pramerica (Luxembourg) CP GP S.à r.l.	Luxembourg
Pramerica (Scots) CP GP LLP	Scotland
Pramerica Business Consulting (Shanghai) Company Limited	China
Pramerica EVP CP LP	Scotland
Pramerica Fosun Life Insurance Co., Ltd.	China

Pramerica Insurance Asset Management Co., Ltd.	China
Pramerica Life Insurance Limited	India
Pramerica PRECAP IV GP LLP	England & Wales
PRAMERICA PRECAP VI GP (SCOTS FEEDER) LLP	England & Wales
PRAMERICA PRECAP VI GP LLP	England & Wales
Pramerica Real Estate Capital IV (Scots) Limited Partnership	Scotland
Pramerica Real Estate Capital IV GP (Scots Feeder) LLP	Scotland
Pramerica Real Estate Capital VI (Scots) Limited Partnership	Scotland
Pramerica Services Company (Bermuda), Ltd.	Bermuda
PREI Acquisition I, Inc.	Delaware
PREI Acquisition II, Inc.	Delaware
PREI Acquisition LLC	Delaware
PREI HYDG, LLC	Delaware
PREI International, Inc.	Delaware
PRICOA Management Partner Limited	England & Wales
PRISA Fund Manager LLC	Delaware
PRISA II Fund Manager LLC	Delaware
PRISA II Pooled Manager, LLC	Delaware
PRISA III Fund GP, LLC	Delaware
PRISA III Fund PIM, LLC	Delaware
PRISA III Pooled Manager LLC	Delaware
PRISA III Pooled R-Manager LLC	Delaware
PRISA Pooled Manager, LLC	Delaware
PRREF Debt Fund Manager, LLC	Delaware
PRREF II Fund Manager LLC	Delaware
Pru 101 Wood LLC	Delaware
PRU 3XSquare, LLC	Delaware
Pru Fixed Income Emerging Markets Partners I, LLC	Delaware
Pruco Assignment Corporation	Barbados
Pruco Life Insurance Company	Arizona
Pruco Life Insurance Company of New Jersey	New Jersey
Pruco Securities, LLC	New Jersey
PRUCO, LLC	New Jersey
Prudential 900 Aviation Boulevard, LLC	Delaware
Prudential Agricultural Property Holding Company, LLC	Delaware
Prudential Annuities Distributors, Inc.	Delaware
Prudential Annuities Holding Company, LLC	Delaware
Prudential Annuities Information Services & Technology Corporation	Delaware
Prudential Arizona Reinsurance Captive Company	Arizona
Prudential Arizona Reinsurance Universal Company	Arizona
Prudential Capital and Investment Services, LLC	Delaware
Prudential Capital Energy Opportunity Fund, L.P.	Delaware
PRUDENTIAL CAPITAL ENERGY PARTNERS MANAGEMENT (FEEDER), LLC	Delaware
Prudential Capital Energy Partners Management Fund, L.P.	Delaware
Prudential Capital Energy Partners, L.P.	Delaware

Prudential Capital Partners Management Fund IV, L.P.	Delaware
Prudential Chile II SpA	Chile
Prudential Commercial Property Holding Company, LLC	Delaware
Prudential do Brasil Seguros S.A.	Brazil
Prudential Equity Group, LLC	Delaware
Prudential Financial, Inc.	New Jersey
Prudential Fixed Income Global Liquidity Relative Value Partners, LLC	Delaware
Prudential Fixed Income U.S. Relative Value Partners, LLC	Delaware
Prudential Funding, LLC	New Jersey
Prudential General Services of Japan Y.K.	Japan
Prudential Gibraltar Agency Co., Ltd. (Prudential Gibraltar Agency Kabushiki Kaisha)	Japan
Prudential Global Funding LLC	Delaware
Prudential Holdings of Japan, Inc.	Japan
Prudential Impact Investments Mortgage Loans LLC	Delaware
Prudential Impact Investments Private Debt LLC	Delaware
Prudential Impact Investments Private Equity LLC	Delaware
Prudential Insurance Agency, LLC	New Jersey
Prudential International Insurance Holdings, Ltd.	Delaware
Prudential International Insurance Service Company, L.L.C.	Delaware
Prudential International Investments Company, LLC	Delaware
Prudential International Investments, LLC	Delaware
Prudential Investment Management Services LLC	Delaware
Prudential Japan Holdings, LLC	Delaware
Prudential Japan Technology, Limited	Japan
Prudential Legacy Insurance Company of New Jersey	New Jersey
Prudential Mortgage Asset Holdings 1 Japan Investment Business Limited Partnership	Japan
Prudential Mortgage Asset Holdings 2 Japan Investment Business Limited Partnership	Japan
Prudential Mortgage Capital Asset Holding Company, LLC	Delaware
Prudential Mortgage Capital Funding, LLC	Delaware
Prudential Mortgage Capital Holdings, LLC	Delaware
PRUDENTIAL MORTGAGE SKP MEMBER LLC	Delaware
PRUDENTIAL MORTGAGE SKP REIT LLC	Delaware
PRUDENTIAL MORTGAGE SKP VENTURE 2 LLC	Delaware
PRUDENTIAL MORTGAGE SKP VENTURE LLC	Delaware
Prudential Mutual Fund Services LLC	New York
Prudential Newark Realty, LLC	New Jersey
Prudential QOZ Investment Fund 1, LLC	Delaware
Prudential Realty Securities, Inc.	Delaware
Prudential Retirement Financial Services Holding LLC	Delaware
Prudential Securities Secured Financing Corporation	Delaware
Prudential Seguros Mexico, S.A. de C.V.	Mexico
Prudential Select Strategies LLC	Delaware
Prudential Servicios, S. de R.L. de C.V.	Mexico
Prudential Structured Settlement Company	Delaware
Prudential Tax Services, LLC	Delaware

Prudential Trust Co., Ltd.	Japan
Prudential Trust Company	Pennsylvania
Prudential Universal Reinsurance Entity Company	Arizona
Prudential Workplace Solutions Group Services, LLC	Delaware
Prudential/TMW Real Estate Group LLC	Delaware
Pruservicos Participacoes Ltda.	Brazil
PruStudio LLC	Delaware
PruVen Capital Partners Fund I, L.P.	Delaware
PT PFI Mega Life Insurance	Indonesia
Qianhai Reinsurance Co., Ltd.	China
QMA JP EM All Cap Equity Partners LLC	Delaware
Rock Global Real Estate LLC	Delaware
Ross Avenue Energy Fund Holdings, LLC	Delaware
Sanei Collection Service Co., Ltd. (Kabushiki Kaisha Sanei Shuuno Service)	Japan
Senior Housing Partners V, LLC	Delaware
SENIOR HOUSING PARTNERS VI GP LLC	Delaware
Senior Housing Partnership Fund V, LLC	Delaware
SENIOR HOUSING PARTNERSHIP FUND VI GP LLC	Delaware
SHP V Carried Interest, L.P.	Delaware
Silvretta Jersey (GP) Limited	Jersey (Country)
SMP Holdings, Inc.	Delaware
Sonamira Co., Ltd. (Sonamira Kabushiki Kaisha)	Japan
South Shore GP Limited	Cayman Islands
South Shore II, L.P.	Cayman Islands
South Shore, L.P.	Cayman Islands
Sterling Private Placement Management LLP	England & Wales
Stetson Street Partners, L.P.	Delaware
Strand Investments Limited	Cayman Islands
SVIIT Holdings, Inc.	Delaware
Sylvan Span LLC	Delaware
TENSATOR HOLDINGS LTD	England & Wales
TF Proveedora, S.C.	Mexico
The Gibraltar Life Insurance Co., Ltd.	Japan
The Prudential Assigned Settlement Services Corp.	New Jersey
The Prudential Brazilian Capital Fund LP	Cayman Islands
The Prudential Gibraltar Financial Life Insurance Co., Ltd.	Japan
The Prudential Home Mortgage Company, Inc.	New Jersey
The Prudential Insurance Company of America	New Jersey
The Prudential Life Insurance Company, Ltd.	Japan
TMW ASPF I Verwaltungs GmbH & Co. KG	Germany
TMW ASPF Management GmbH	Germany
TMW Management, LLC	Georgia
TMW Realty Advisors, LLC	Georgia
TMW USPF Verwaltungs GmbH	Germany
United States Property Fund VI GP S.à r.l.	Luxembourg

USCDF GP S.à r.l.	Luxembourg
USPF V - Verwaltungs - GmbH & Co. KG	Germany
USPF V Carry LLC	Delaware
USPF V Co-Invest LLC	Delaware
USPF V Investment LP	Delaware
Vailsburg Fund LLC	Delaware
Vantage Casualty Insurance Company	Indiana
Victor Fund II Investor LLC	Delaware
VIP Australia Holding Company, LLC	Delaware
VIP Mortgage Account Pty Ltd	Australia
Wabash Avenue Holdings V, LLC	Delaware
Wabash Avenue Partners V, L.P.	Delaware
Wadhwani Capital Limited	England & Wales
Warburg Pincus Prismic, L.P.	Cayman Islands
Waveland Avenue Holdings I, LLC	Delaware
Waveland Avenue Partners I (Ireland), L.P.	Delaware
Waveland Avenue Partners I (US), L.P.	Delaware
Wellness Services Ecossistema De Bem Estar Ltda.	Brazil
Wellness Services SRL	Argentina
Windhill CLO 1, Ltd.	Jersey (Country)
Windhill CLO 2, Ltd.	Jersey (Country)
Windhill CLO 3, Ltd.	Cayman Islands
Windhill CLO 4, Ltd.	Cayman Islands
Windhill CLO 5, Ltd.	Cayman Islands
Windsor Avenue (Rated Feeder Fund GP) II, LLC	Delaware
WINDSOR AVENUE HOLDINGS II, LLC	Delaware
WINDSOR AVENUE PARTNERS (IRELAND) II, L.P.	Delaware
WINDSOR AVENUE PARTNERS (US) II, L.P.	Delaware
Woodbourne Ave Partners (Stockton) GP, LLC	Delaware
Woodbourne Ave Partners (Stockton) GPLP Holdco, LLC	Delaware
Woodbourne Ave Partners (Stockton) GPLP, L.P.	Delaware

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

We hereby consent to the incorporation by reference in the Registration Statements on Form S-3 (No. 333-277590) and on Form S-8 (Nos. 333-259195, 333-248760, 333-137469, 333-137468, 333-136620, 333-102362, 333-75242, 333-75226, 333-75050, 333-103765, 333-105804, 333-146592, 333-182700 and 333-211268) of Prudential Financial, Inc. of our report dated February 12, 2026 relating to the consolidated financial statements, financial statement schedules and the effectiveness of internal control over financial reporting, which appears in this Form 10-K.

/s/ PricewaterhouseCoopers LLP

New York, New York
February 12, 2026

Exhibit 24.1

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS that the person whose signature appears below constitutes and appoints Andrew F. Sullivan, Yanela C. Frias, Robert E. Boyle and Margaret M. Foran, and each of them severally, his or her true and lawful attorney-in-fact with power of substitution and resubstitution to sign in his or her name, place and stead, in any and all capacities, and to do any and all things and execute any and all instruments that such attorneys-in-fact may deem necessary or advisable under the Securities Exchange Act of 1934, as amended, and any rules, regulations and requirements of the U.S. Securities and Exchange Commission (the "Commission"), in connection with the filing with the Commission of an Annual Report on Form 10-K of Prudential Financial, Inc. (the "Registrant") for the fiscal year ending December 31, 2025 (the "Form 10-K"), including specifically, but without limiting the generality of the foregoing, the power and authority to sign his or her name in his or her capacity as a member of the Board of Directors of the Registrant to the Form 10-K and such other form or forms as may be appropriate to be filed with the Commission as any of them may deem appropriate, together with all exhibits thereto, and to any and all amendments thereto and to any other documents filed with the Commission, as fully and for all intents and purposes as he or she might or could do in person, and hereby ratifies and confirms all that said attorneys-in-fact, each acting alone, and his or her substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, I have hereunto set my hand this 10th day of November 2025.

/s/ Charles F. Lowrey

Charles F. Lowrey
Executive Chairman and Director

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS that the person whose signature appears below constitutes and appoints Andrew F. Sullivan, Yanela C. Frias, Robert E. Boyle and Margaret M. Foran, and each of them severally, his or her true and lawful attorney-in-fact with power of substitution and resubstitution to sign in his or her name, place and stead, in any and all capacities, and to do any and all things and execute any and all instruments that such attorneys-in-fact may deem necessary or advisable under the Securities Exchange Act of 1934, as amended, and any rules, regulations and requirements of the U.S. Securities and Exchange Commission (the "Commission"), in connection with the filing with the Commission of an Annual Report on Form 10-K of Prudential Financial, Inc. (the "Registrant") for the fiscal year ending December 31, 2025 (the "Form 10-K"), including specifically, but without limiting the generality of the foregoing, the power and authority to sign his or her name in his or her capacity as a member of the Board of Directors of the Registrant to the Form 10-K and such other form or forms as may be appropriate to be filed with the Commission as any of them may deem appropriate, together with all exhibits thereto, and to any and all amendments thereto and to any other documents filed with the Commission, as fully and for all intents and purposes as he or she might or could do in person, and hereby ratifies and confirms all that said attorneys-in-fact, each acting alone, and his or her substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, I have hereunto set my hand this 10th day of November 2025.

/s/ Gilbert F. Casellas

Gilbert F. Casellas
Director

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS that the person whose signature appears below constitutes and appoints Andrew F. Sullivan, Yanela C. Frias, Robert E. Boyle and Margaret M. Foran, and each of them severally, his or her true and lawful attorney-in-fact with power of substitution and resubstitution to sign in his or her name, place and stead, in any and all capacities, and to do any and all things and execute any and all instruments that such attorneys-in-fact may deem necessary or advisable under the Securities Exchange Act of 1934, as amended, and any rules, regulations and requirements of the U.S. Securities and Exchange Commission (the "Commission"), in connection with the filing with the Commission of an Annual Report on Form 10-K of Prudential Financial, Inc. (the "Registrant") for the fiscal year ending December 31, 2025 (the "Form 10-K"), including specifically, but without limiting the generality of the foregoing, the power and authority to sign his or her name in his or her capacity as a member of the Board of Directors of the Registrant to the Form 10-K and such other form or forms as may be appropriate to be filed with the Commission as any of them may deem appropriate, together with all exhibits thereto, and to any and all amendments thereto and to any other documents filed with the Commission, as fully and for all intents and purposes as he or she might or could do in person, and hereby ratifies and confirms all that said attorneys-in-fact, each acting alone, and his or her substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, I have hereunto set my hand this 10th day of November 2025.

/s/ Carmine Di Sibio

Carmine Di Sibio
Director

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS that the person whose signature appears below constitutes and appoints Andrew F. Sullivan, Yanela C. Frias, Robert E. Boyle and Margaret M. Foran, and each of them severally, his or her true and lawful attorney-in-fact with power of substitution and resubstitution to sign in his or her name, place and stead, in any and all capacities, and to do any and all things and execute any and all instruments that such attorneys-in-fact may deem necessary or advisable under the Securities Exchange Act of 1934, as amended, and any rules, regulations and requirements of the U.S. Securities and Exchange Commission (the "Commission"), in connection with the filing with the Commission of an Annual Report on Form 10-K of Prudential Financial, Inc. (the "Registrant") for the fiscal year ending December 31, 2025 (the "Form 10-K"), including specifically, but without limiting the generality of the foregoing, the power and authority to sign his or her name in his or her capacity as a member of the Board of Directors of the Registrant to the Form 10-K and such other form or forms as may be appropriate to be filed with the Commission as any of them may deem appropriate, together with all exhibits thereto, and to any and all amendments thereto and to any other documents filed with the Commission, as fully and for all intents and purposes as he or she might or could do in person, and hereby ratifies and confirms all that said attorneys-in-fact, each acting alone, and his or her substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, I have hereunto set my hand this 10th day of November 2025.

/s/ Martina Hund-Mejean

Martina Hund-Mejean
Director

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS that the person whose signature appears below constitutes and appoints Andrew F. Sullivan, Yanela C. Frias, Robert E. Boyle and Margaret M. Foran, and each of them severally, his or her true and lawful attorney-in-fact with power of substitution and resubstitution to sign in his or her name, place and stead, in any and all capacities, and to do any and all things and execute any and all instruments that such attorneys-in-fact may deem necessary or advisable under the Securities Exchange Act of 1934, as amended, and any rules, regulations and requirements of the U.S. Securities and Exchange Commission (the "Commission"), in connection with the filing with the Commission of an Annual Report on Form 10-K of Prudential Financial, Inc. (the "Registrant") for the fiscal year ending December 31, 2025 (the "Form 10-K"), including specifically, but without limiting the generality of the foregoing, the power and authority to sign his or her name in his or her capacity as a member of the Board of Directors of the Registrant to the Form 10-K and such other form or forms as may be appropriate to be filed with the Commission as any of them may deem appropriate, together with all exhibits thereto, and to any and all amendments thereto and to any other documents filed with the Commission, as fully and for all intents and purposes as he or she might or could do in person, and hereby ratifies and confirms all that said attorneys-in-fact, each acting alone, and his or her substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, I have hereunto set my hand this 10th day of November 2025.

/s/ Wendy E. Jones

Wendy E. Jones
Director

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS that the person whose signature appears below constitutes and appoints Andrew F. Sullivan, Yanela C. Frias, Robert E. Boyle and Margaret M. Foran, and each of them severally, his or her true and lawful attorney-in-fact with power of substitution and resubstitution to sign in his or her name, place and stead, in any and all capacities, and to do any and all things and execute any and all instruments that such attorneys-in-fact may deem necessary or advisable under the Securities Exchange Act of 1934, as amended, and any rules, regulations and requirements of the U.S. Securities and Exchange Commission (the "Commission"), in connection with the filing with the Commission of an Annual Report on Form 10-K of Prudential Financial, Inc. (the "Registrant") for the fiscal year ending December 31, 2025 (the "Form 10-K"), including specifically, but without limiting the generality of the foregoing, the power and authority to sign his or her name in his or her capacity as a member of the Board of Directors of the Registrant to the Form 10-K and such other form or forms as may be appropriate to be filed with the Commission as any of them may deem appropriate, together with all exhibits thereto, and to any and all amendments thereto and to any other documents filed with the Commission, as fully and for all intents and purposes as he or she might or could do in person, and hereby ratifies and confirms all that said attorneys-in-fact, each acting alone, and his or her substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, I have hereunto set my hand this 10th day of November 2025.

/s/ Sandra Pianalto

Sandra Pianalto
Director

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS that the person whose signature appears below constitutes and appoints Andrew F. Sullivan, Yanela C. Frias, Robert E. Boyle and Margaret M. Foran, and each of them severally, his or her true and lawful attorney-in-fact with power of substitution and resubstitution to sign in his or her name, place and stead, in any and all capacities, and to do any and all things and execute any and all instruments that such attorneys-in-fact may deem necessary or advisable under the Securities Exchange Act of 1934, as amended, and any rules, regulations and requirements of the U.S. Securities and Exchange Commission (the "Commission"), in connection with the filing with the Commission of an Annual Report on Form 10-K of Prudential Financial, Inc. (the "Registrant") for the fiscal year ending December 31, 2025 (the "Form 10-K"), including specifically, but without limiting the generality of the foregoing, the power and authority to sign his or her name in his or her capacity as a member of the Board of Directors of the Registrant to the Form 10-K and such other form or forms as may be appropriate to be filed with the Commission as any of them may deem appropriate, together with all exhibits thereto, and to any and all amendments thereto and to any other documents filed with the Commission, as fully and for all intents and purposes as he or she might or could do in person, and hereby ratifies and confirms all that said attorneys-in-fact, each acting alone, and his or her substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, I have hereunto set my hand this 10th day of November 2025.

/s/ Christine A. Poon

Christine A. Poon
Director

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS that the person whose signature appears below constitutes and appoints Andrew F. Sullivan, Yanela C. Frias, Robert E. Boyle and Margaret M. Foran, and each of them severally, his or her true and lawful attorney-in-fact with power of substitution and resubstitution to sign in his or her name, place and stead, in any and all capacities, and to do any and all things and execute any and all instruments that such attorneys-in-fact may deem necessary or advisable under the Securities Exchange Act of 1934, as amended, and any rules, regulations and requirements of the U.S. Securities and Exchange Commission (the "Commission"), in connection with the filing with the Commission of an Annual Report on Form 10-K of Prudential Financial, Inc. (the "Registrant") for the fiscal year ending December 31, 2025 (the "Form 10-K"), including specifically, but without limiting the generality of the foregoing, the power and authority to sign his or her name in his or her capacity as a member of the Board of Directors of the Registrant to the Form 10-K and such other form or forms as may be appropriate to be filed with the Commission as any of them may deem appropriate, together with all exhibits thereto, and to any and all amendments thereto and to any other documents filed with the Commission, as fully and for all intents and purposes as he or she might or could do in person, and hereby ratifies and confirms all that said attorneys-in-fact, each acting alone, and his or her substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, I have hereunto set my hand this 10th day of November 2025.

/s/ Thomas D. Stoddard

Thomas D. Stoddard
Director

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS that the person whose signature appears below constitutes and appoints Andrew F. Sullivan, Yanela C. Frias, Robert E. Boyle and Margaret M. Foran, and each of them severally, his or her true and lawful attorney-in-fact with power of substitution and resubstitution to sign in his or her name, place and stead, in any and all capacities, and to do any and all things and execute any and all instruments that such attorneys-in-fact may deem necessary or advisable under the Securities Exchange Act of 1934, as amended, and any rules, regulations and requirements of the U.S. Securities and Exchange Commission (the "Commission"), in connection with the filing with the Commission of an Annual Report on Form 10-K of Prudential Financial, Inc. (the "Registrant") for the fiscal year ending December 31, 2025 (the "Form 10-K"), including specifically, but without limiting the generality of the foregoing, the power and authority to sign his or her name in his or her capacity as a member of the Board of Directors of the Registrant to the Form 10-K and such other form or forms as may be appropriate to be filed with the Commission as any of them may deem appropriate, together with all exhibits thereto, and to any and all amendments thereto and to any other documents filed with the Commission, as fully and for all intents and purposes as he or she might or could do in person, and hereby ratifies and confirms all that said attorneys-in-fact, each acting alone, and his or her substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, I have hereunto set my hand this 10th day of November 2025.

/s/ Michael A. Todman

Michael A. Todman
Director

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS that the person whose signature appears below constitutes and appoints Andrew F. Sullivan, Yanela C. Frias, Robert E. Boyle and Margaret M. Foran, and each of them severally, his or her true and lawful attorney-in-fact with power of substitution and resubstitution to sign in his or her name, place and stead, in any and all capacities, and to do any and all things and execute any and all instruments that such attorneys-in-fact may deem necessary or advisable under the Securities Exchange Act of 1934, as amended, and any rules, regulations and requirements of the U.S. Securities and Exchange Commission (the "Commission"), in connection with the filing with the Commission of an Annual Report on Form 10-K of Prudential Financial, Inc. (the "Registrant") for the fiscal year ending December 31, 2025 (the "Form 10-K"), including specifically, but without limiting the generality of the foregoing, the power and authority to sign his or her name in his or her capacity as a member of the Board of Directors of the Registrant to the Form 10-K and such other form or forms as may be appropriate to be filed with the Commission as any of them may deem appropriate, together with all exhibits thereto, and to any and all amendments thereto and to any other documents filed with the Commission, as fully and for all intents and purposes as he or she might or could do in person, and hereby ratifies and confirms all that said attorneys-in-fact, each acting alone, and his or her substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, I have hereunto set my hand this 10th day of November 2025.

/s/ Joseph J. Wolk

Joseph J. Wolk
Director

Exhibit 31.1

CERTIFICATIONS OF THE CHIEF EXECUTIVE OFFICER PURSUANT TO

SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Andrew F. Sullivan, certify that:

1. I have reviewed this Annual Report on Form 10-K of Prudential Financial, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 12, 2026

/s/ Andrew F. Sullivan

Andrew F. Sullivan
Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATIONS OF THE CHIEF FINANCIAL OFFICER PURSUANT TO

SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Yanela C. Frias, certify that:

1. I have reviewed this Annual Report on Form 10-K of Prudential Financial, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 12, 2026

/s/ Yanela C. Frias

Yanela C. Frias
Executive Vice President and Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

CERTIFICATION OF THE CHIEF EXECUTIVE OFFICER PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

Pursuant to 18 U.S.C. § 1350, I, Andrew F. Sullivan, Chief Executive Officer of Prudential Financial, Inc. (the "Company"), hereby certify that the Company's Annual Report on Form 10-K for the year ended December 31, 2025 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 12, 2026

/s/ Andrew F. Sullivan

Name: Andrew F. Sullivan
Title: Chief Executive Officer
(Principal Executive Officer)

The foregoing certification is being furnished solely pursuant to 18 U.S.C. § 1350 and is not being filed as part of the Report or as a separate disclosure document.

Exhibit 32.2

CERTIFICATION OF THE CHIEF FINANCIAL OFFICER PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

Pursuant to 18 U.S.C. § 1350, I, Yanela C. Frias, Chief Financial Officer of Prudential Financial, Inc. (the "Company"), hereby certify that the Company's Annual Report on Form 10-K for the year ended December 31, 2025 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 12, 2026

/s/ Yanela C. Frias

Name: Yanela C. Frias
Title: Executive Vice President and Chief Financial Officer (Principal Financial Officer)

The foregoing certification is being furnished solely pursuant to 18 U.S.C. § 1350 and is not being filed as part of the Report or as a separate disclosure document.