

Retirement Account Value Assessment July 2024

Our approach to assessing fair value considers the product or service as a packaged product. It makes allowance for the individual components which we manufacture that make up the packaged product.

Where another manufacturer's component is used, we'll rely on their value assessment.

For example, for Open-Ended Investment Companies (OEICs), we will rely on the fund manufacturer's assessment of value. In addition we do not make an allowance for any adviser charges that we may facilitate.

Wrapper and Investments Assessment

We consider the value that our propositions offer from both a charges and investment perspective. This allows us to understand both the value offered by the component parts of our proposition as well as the potential outcomes for customers. We also consider the service and benefits that the products provide from an operational and customer outcomes perspective, to ensure that they provide value for money and meet the customer's reasonable expectations.

The result of the most recent value assessment for the Prudential Retirement Account meets our value assessment requirements and there were no limitations in the product that could reduce its value or benefit to the customers within the target market.

No allowance is made for adviser charges that we may facilitate or other services that are paid for from the product. We also rely on the OEIC manufacturer's assessment of value.

Proposition Benchmarking

We consider, as part of our regular product lifecycle management process, the position of each proposition in the marketplace. This considers the design and charging structure of the proposition, as well as features and benefits against its peer group from a comparability and competitiveness perspective.

Products and their benefits

Summary information of the Retirement Account is provided below. For more detail on the benefits and features, please see the relevant product documentation, such as Target Market and Key Features documents.

As part of our ongoing product management process, we consider the foreseeable harms and poor customer outcomes that could result from the products design, management or administration. This includes an assessment of the customers and customer groups within the target market as well as an assessment that considers customers with characteristics of vulnerabilities and those with protected characteristics.

The Prudential Retirement Account is a flexible personal pension and drawdown product that lets clients save for their retirement, bring pension assets together and take income, all from the same plan.

Investment Components

The investment options available through the Prudential Retirement Account are subject to their own value assessment. This is undertaken by the investment manufacturer. The following information outlines the checks undertaken by the investment manufacturer.

PruFund

PruFund is subject to significant levels of oversight. This covers investment performance and management as well as the operation of the fund itself.

As part of our value assessment, we consider the basis for setting Expected Growth Rates, investment decisions in relation to smoothing of investment returns, the charges and associated benefits relating to smoothing, the management of the With-Profits Estate and the expenses allocated to the With-Profits Fund. The impact on the Inherited Estate and the charges and expenses allocated to the fund are also considered.

Further details of how the fund is operated can be found in our **Principles and Practices of Financial Management** (PPFM) and the **With-Profits Actuary's Annual Report** to policyholders. All our PPFM reports can be found on mandg.com/pru/adviser/insights-events/news/ppfm.

Due to the short period that the PruFund Planet range has been available, we are currently unable to undertake a performance benchmarking assessment over an appropriate period.

As a result of the most recent assessment, we concluded that PruFund funds meet our value assessment requirements.

OEICS

Where we provide access to an OEIC through our wrapper or service we will rely on the manufacturer's assessment to ensure they are meeting fair value requirements.

Where a manufacturer's value assessment highlights they are not meeting the requirements, appropriate actions will be taken for example, we may close the fund to further investments.

Please note that we are reliant on the manufacturer undertaking the assessment in accordance with regulatory expectations. Advisers are expected to consider all parts of the value chain within their own value assessment and should consider if additional oversight is required.

Investment Pathways

Investment Pathways are subject to oversight from our Independent Governance Committee (IGC). Copies of their latest report and previous reports can be found here mandg.com/pru/workplace-pensions/igc.

Product charges & Costs

This section details where information can be found in relation to the product charges.

For generic information on product charges and costs please refer to the specific Retirement Account **fast facts document**.

A **key features document** is available to help understand the product aims, risks, costs, and investment options to help compare it with other products and how it may fit with your needs.

You will find the fast facts and key information documents, along with other useful information at mandg.com/pru/adviser/en-gb/products/retirement-pensions/retirement-account

The customer specific personal illustration details the product charges based on the amount to be invested, along with investment costs and charges based on the investments chosen and any adviser charges selected. It also provides reduction in yield calculations.

Service

Delivering customer value and improving customer experience is at the heart of everything we do. Further information can be found here mandg.com/pru/adviser/en-gb/insights-events/news/customer-duty/service

The assessment result is positive, and no material concerns were raised.

Customer Support & Understanding

In addition to the value assessment work and as part of the customer support and understanding outcome focus, our Customer Insights team (CI) have an ongoing focus on customer experience improvements through independent testing. This considers not only communications but also the end to end customer product lifecycle experience. This helps us to ensure we are meeting the requirements of Consumer Duty.

The result of the research while mainly positive, has highlighted areas where improvements can be made. The CI team will continue working with independent testing agencies who've been providing Consumer Duty guidance for some time.

This document is intended to be used by financial advisers only and not to be relied upon by clients.