

Corporate Pensions Value Assessment 2024

Our approach to assessing value

We consider the value that our propositions offer from a charges and investment perspective. This allows us to understand both the value provided by the component parts of our propositions, and the potential outcomes for customers.

We also consider the service and benefits that our products provide from an operational and customer outcomes perspective, to ensure they deliver value for money and meet the customer's reasonable expectations. By doing so, we aim to provide solutions that align with customer needs and deliver positive outcomes.

Proposition overview

We offer a comprehensive range of Corporate Pensions solutions with three broad product groupings:

- **Additional Voluntary Contributions (AVCs):** Pension scheme members can make additional contributions to their pension to enhance their retirement savings, over and above their main scheme final salary benefits.
- **Occupational Money Purchase Pensions:** Trust arrangements where individuals can accumulate retirement savings from contributions made by both the employer and employee.
- **Stakeholder and Group Personal Pensions:** Aim to offer a cost-effective and accessible pension solution for employees. They provide individuals with the opportunity to save for retirement and benefit from potential investment growth. As these arrangements are personal pension contracts, they are overseen by our Independent Governance Committee (IGC).

With these products, we aim to support members in their retirement planning by helping them to save for the future and access their pension benefits when they decide to retire.

Independent Governance Committee

Stakeholder and Group Personal Pensions are subject to the value for money assessment by the IGC. Copies of the latest IGC report and those previous can be found at mandg.com/pru/workplace-pensions/igc

Trust based schemes

Trustees are required to conduct a value assessment of a scheme. This helps them make informed decisions that safeguard the interests of the scheme's members and promote their members' long-term financial well-being.

Wrapper and investments assessment

The result of the most recent value assessment for our **Corporate Pensions Propositions** meets our value assessment requirements. There were no limitations in the products that could reduce the 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 products.

Products and their benefits

Summary information of the Corporate Pensions Propositions is provided below. For more detail on the benefits and features, please see the 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 product's design, management or administration. This includes an assessment of the customers and customer groups within the target market, and an assessment that considers customers with characteristics of vulnerabilities and protected characteristics.

Investment component

The investment options available through the **Corporate Pensions Propositions** are subject to their own value assessment. This is undertaken by us as the product manufacturer and following information outlines the checks undertaken.

With-Profits

The Prudential With-Profits Fund 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 bonus rates, investment decisions in relation to smoothing of investment returns, the impact on the inherited estate and the charges and expenses allocated to the Fund.

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 online at mandg.com/pru/adviser/insights-events/news/ppfm

The Deposit Fund is backed by the assets held within our With-Profits Fund. Any interest is declared monthly and there are no explicit charges. Interest once added is guaranteed and withdrawals from this Fund aren't subject to a Market Value Reduction (MVR).

You'll find more information about the Deposit Fund at mandg.com/dam/pru/shared/documents/en/btbq00025a.pdf

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

Unit-Linked funds

Where we provide Unit-Linked funds, they will undergo an ongoing quarterly assessment through our watchlist process. This process identifies performance outliers. Further oversight and action are taken via our internal governance process. As a result, funds may be recommended for closure.

Product charges and 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 relevant Key Features Document and Fund Guide.

A **Key Features Document** is available to help understand the product's aims, risks, costs and investment options, to help compare it with other products and how it may fit with a customer's needs.

A customer-specific **Annual Benefit Statement** will detail the product charges based on the amount invested, investment costs and charges based on the investments chosen, and any Adviser Charges if selected.

More information about scheme costs and charges, transaction costs and the compounding effect of costs and charges on pension savings can be found at mandg.com/pru/workplace-pensions/igc/search-for-your-pension-scheme

For Trustees, please follow mandg.com/pru/workplace-pensions/trustees/search-schemes

Service

Delivering customer value and improving customer experience is at the heart of everything we do. As part of our customer support and understanding assessment, we've been conducting reviews of our key journeys and journey communications. Our aim is to ensure our customers don't face any barriers (including unreasonable additional costs, delays, distress or inconvenience) during the lifecycle of a product.

Customer support and understanding

In addition to the value assessment work and as part of the customer support and understanding outcome focus, the Customer Insights (CI) team have been working across the business to formulate research studies to test against Consumer Duty requirements.

The result of the initial 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.