

ANNUAL REVIEW

REPORT TO WITH PROFITS POLICYHOLDERS

MANAGEMENT OF WITH PROFITS POLICIES ACCORDING TO
THE PRINCIPLES AND PRACTICES OF FINANCIAL MANAGEMENT

Fund name: Countrywide Assured Guarantee Plus Pension Fund (S&P Pensions Series)

Period of review: 1 January to 31 December 2023

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INTRODUCTION

Each year the Countrywide Assured Board reviews the management of our With Profits policies to make sure we're following the guidelines and practices as outlined in the document '[Principles and Practices of Financial Management](#)' or 'PPFM'. This report provides details of the review for the year 1 January 2023 to 31 December 2023.

Managing With Profits policies involves expert analysis, evaluation and judgement. The PPFM describes in detail how we manage our With Profits business. Every year our regulator requires us to report to our policyholders on how we follow these principles and practices of Financial Management, including the results of our review. The report also includes details of any action we take during this review process to improve or correct the results.

For more information about the background to the principles, see sections [1.7 – 1.11 of the PPFM](#).

WHO IS THIS REPORT FOR?

This report is for customers with pension plans originally issued by Save & Prosper Pensions Limited, referred to as 'S&P' in this report. These plans invest in the Countrywide Assured Guarantee Plus Pension Fund (S&P Pensions Series), which was created to replace the fund previously set-up by S&P.

Separate reports relating to other With Profits business are [available](#).

Save & Prosper Pensions Limited

S&P was purchased in 2010 by Chesnara plc, our holding group since May 2004. The business was transferred to Countrywide Assured on 31 December 2011, which means Countrywide Assured has been responsible for the management and investment of your pension plan since 2012.

ANNUAL REVIEW SUMMARY

Which fund(s) does this report cover?		Countrywide Assured Guarantee Plus Pension Fund (S&P Pension Series)	
Does this year's annual review comply with the Principles and Practices of Financial Management?		Yes ✓	No
Summary of results			
		<ul style="list-style-type: none"> ➤ The Board of Countrywide Assured has reviewed the operation of the fund for 2023 and in their opinion the PPFM has been complied with in full. ➤ It is the Board's opinion that appropriate governance arrangements are in place to ensure that the conduct of the With Profits business complies with the PPFM. Compliance with the PPFM is monitored by a With Profits Committee which operates independently from the main Board of Directors. ➤ It is also the Board's opinion that the exercise of discretion over the period was appropriate and any issues involving competing or conflicting rights, interests and expectations of policyholders were resolved fairly. ➤ The Board's opinions have taken into account the advice of the With Profits Actuary and the views of the With Profits Committee. The With Profits Actuary's report to policyholders is included as Appendix A. 	
SECTION OF PPFM			
		KEY ADJUSTMENTS	
2.12 – 2.15		The amount payable under a With Profits policy	
2.12	The annual review of the percentage deduction for guarantees was undertaken. The Directors agreed for 2023 to maintain the current annual rate at 0.75%, having reduced from 1.25% from 28 June 2018.		
3.3	The annual review of the approach to smoothing was also undertaken and the Directors agreed to retain the overarching approach.		

SECTION OF PPFM		CONCLUSIONS OF BOARD'S REVIEW	
2.1 – 2.15	I. The amounts payable under a With Profits policy were managed in line with the PPFM. It was noted that the percentage deduction for guarantees was reviewed by the With Profits Committee and maintained, as described in 'Key adjustments' above. In December 2023, the PPFM was updated so that the amount payable under a With Profits policy on ill health early retirement now allows for a (proportionately reduced) guarantee.		✓
3.1 – 3.6	II. The use of smoothing to avoid short-term fluctuations in the value of benefits was monitored on a regular basis. The review concluded this approach continues to be appropriate.		✓

SECTION OF PPFM	CONCLUSIONS OF BOARD'S REVIEW	
4.1 – 5.3	III. The investment strategy of the fund was monitored and judged to have operated in line with the PPFM. The fund was not exposed to any new business risks.	✓
6.1 – 6.7	IV. The application of charges and expenses to the fund was reviewed by the With Profits Committee. It concluded that they are in line with the principles and practices set out in the PPFM.	✓
7.1 – 7.3	V. The balance between the interests of policyholders and shareholders was given appropriate consideration in terms of amounts distributed from the fund.	✓

REPORT APPROVAL

The Board of Countrywide Assured has reviewed the way in which our With Profits business was managed in the financial year from 1 January 2023 to 31 December 2023 and in their opinion the PPFM has been complied with in full.

REPORT APPROVED BY: The Board of Countrywide Assured

SIGNED BY: CEO Countrywide Assured, Jackie Ronson, on behalf of the Board.

MONITORING OUR PRACTICES

Q HOW DOES THIS REVIEW HELP ME?

A A successful company takes care of its customers. For us at Countrywide Assured, this means looking after your money responsibly and effectively over the long term. This review helps us demonstrate that we are meeting our obligations to both our customers and our regulators.

Q WHY IS THIS PROCESS IMPORTANT?

A Managing our With Profits policies requires expert analysis, evaluation and judgement, and because they are long-term policies, it's important for us to show you, our customers, and our regulators that we take our responsibilities very seriously.

Q HOW ARE YOUR PRACTICES MONITORED?

A Our With Profits Committee has the responsibility of ensuring our practices are doing the job they are designed to do and meet the standards set by our regulator. It operates independently from the main Board of Directors, undertaking regular assessments and resolving any competing or conflicting interests of policyholders and shareholders.

Q HOW OFTEN DO YOU REVIEW YOUR PRACTICES?

A The With Profits Committee undertakes a formal review of our practices once per year. The committee meets at least four times and an independent With Profits Actuary attends each meeting. Last year, this was Karen Miller, an employee of Willis Towers Watson. The committee produces this annual report for policyholders, which includes a report by the appointed With Profits Actuary, see Appendix A.

Q HOW DO YOU DECIDE YOUR PRACTICES ARE COMPLIANT?

A The With Profits Committee regularly assesses our practices and procedures. Each year the appointed With Profits Actuary reports on whether or not our management and practices meet the criteria set out in the 'Principles and Practices of Financial Management'.

Q WHAT HAPPENS IF YOUR PRACTICES ARE NON-COMPLIANT?

A Should the With Profits Committee's assessment differ from those expected or fall short in some way, the With Profits Actuary will include explanations and recommendations on how to address them in their report.

Q WHO IS RESPONSIBLE FOR MANAGING MY WITH PROFITS POLICY?

A Countrywide Assured is responsible for the management and investment of your pension plan.

Q WHERE CAN I FIND OUT MORE ABOUT MY POLICY?

Our [website](#) has details about our With Profits policies, including a new [With Profits Centre](#) and an [Annual Statement guide](#) to help you make sense of your Annual Statement. If you can't find the information you're looking for, [email or call us](#) quoting your policy number.

APPENDIX A

Report on Save & Prosper Pensions with-profits sub-fund from the With-Profits Actuary

This report covers the with-profits business of Countrywide Assured plc (Countrywide Assured) originally written by Save & Prosper Pensions Ltd. Separate reports cover the business originally written by Countrywide Assured and reinsured to ReAssure Ltd and the business originally written by Save & Prosper Insurance Ltd.

The Financial Reporting Council (“FRC”) sets technical standards for the members of the UK Actuarial Profession. This report is subject to and complies with the following standards:

- Technical Actuarial Standard 100: General Actuarial Standards
- Technical Actuarial Standard 200: Insurance

The actuary appointed by Countrywide Assured to perform the With-Profits Actuary function is required, among other things:

- to advise management on key aspects of the discretion to be exercised affecting its with-profits policyholders; and
- in respect of each financial year, to make a written report addressed to the with-profits policyholders to accompany the report from the company to its with-profits policyholders.

This report to the with-profits policyholders in the Save & Prosper Pensions sub-fund of Countrywide Assured is in respect of the financial year ended 31 December 2023. Countrywide Assured carries out a formal review of its compliance with the Principles and Practices of Financial Management (“PPFM”) applicable to its With-Profits Fund on an annual basis and submits a report on the results of the review to the With-Profits Committee and to myself. Based on these and on other information that has been made available to me by Countrywide Assured, I am satisfied that:

- it has at all times acted appropriately in the exercise of discretion in respect of their with-profits business; and
- it has complied fully with the PPFM applicable to its With-Profits Fund.



Karen Miller BSc FIA
With-Profits Actuary
May 2024

DEFINITION OF KEY TERMS

Actuary

References to the actuary in this report relate to the person appointed by Countrywide Assured to the role of With Profits Actuary. This role involves advising management on key aspects of exercising discretion in areas affecting With Profits policyholders. The With Profits Actuary also produces a report each financial year for With Profits policyholders – see Appendix A.

With Profits Practices

The practices are derived from the With Profits Principles and provide more detailed guidance on managing With Profits business, including ways to respond to and manage short-term changes in the business and economic environment. The practices may change from time to time in the process of following the With Profits Principles.

With Profits Principles

The comprehensive standards that form the foundation of our management of With Profits business. The principles are designed to ensure a company meets its responsibilities to policyholders, and, is able to respond to longer-term changes in the business and economic environment.

PPFM VERSION HISTORY

The following versions of the PPFM were effective over the period of this review:

Version 16 – 1 January – 3 December 2023

Version 17 – 4 December – 31 December 2023

A full version history, together with the description of changes, is provided in the PPFM.