

Aviva Life & Pensions UK Limited Stakeholder With-Profits Sub-Fund



Summary of changes to the Principles and Practices of Financial Management (PPFM)

Introduction and Background

This document summarises changes made to the Stakeholder With-Profits Sub-Fund PPFM in recent years.

The PPFM was first published on 29 April 2004 and has subsequently been amended on a number of occasions. The Aviva website now displays the latest version of the PPFM.

1. Changes effective from 1 January 2024

(a) Practices 4.2

The practices included wording related to capital instruments issued by Friends Life Holdings plc. These instruments have been repaid and so the wording has been deleted. However, it is still a requirement that an annual review of the impact of the Company's plans on the security of policyholders is provided to the With-Profits Committee.

2. Changes effective from 1 April 2023

(a) Principles 4.1, 7.1 and Practices 2.6, and 7.2

We have amended the PPFM to reflect that the Sub-Fund was closed to new business from 1 January 2023. Where policy terms and conditions permit, we still accept increments to existing policies. Changes are required to Principles to reflect the closure and we are permitted to make these changes as we have already written to policyholders communicating the closure of the Sub-Fund.

3. Changes effective from 1 January 2023

The PPFM has been amended from 1 January 2023. A number of practices were amended following an internal review.

(a) Practices 3.2

We have clarified the upper limit for the benchmark equity backing ratio.

4. Changes effective from 1 January 2022

The PPFM has been amended from 1 January 2022. A number of practices were amended following an internal review.

(a) Practices 2.2, 2.4 & 6.2

We have amended the wording to reflect the reduction in the charge for smoothing and guarantees in the Sub-Fund.

5. Changes effective from 1 January 2021

The PPFM has been amended from 1 January 2021. One practice was amended following an internal review.

(a) Practices 2.2

We have corrected the wording for the change in payouts to be less than or equal to the smoothing limits following final bonus rates changes.

6. Changes effective from 1 January 2020

(a) General changes

The PPFM has been amended from 1 January 2020. The changes have not been described here as they were minor corrections or clarifications to wording and make no material change to the PPFM.

7. Changes effective from 1 January 2019

The PPFM was amended 1 January 2019. A number of practices were amended following an internal review.

(a) General changes

Where possible we have standardised wording and removed any Practices that are no longer applicable. They have not been described here as they make no material change to the PPFM.

(b) Practices 2.2 & 2.6

We have made some changes to the way we apply smoothing of payouts to better achieve the way smoothing is described in the Principles.

(c) Practices 3.2

We have clarified the approach to reviewing investment strategy and how it is described within the PPFM.

8. Changes effective from 1 January 2018


(a) General changes

The PPFM was amended from 1 January 2018. The changes have not been described here as they were minor corrections or clarifications to wording and make no material change to the PPFM.

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