



Institute
and Faculty
of Actuaries

Life Conference 2022

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#LifeConf22





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With-Profits: In terminal decline or ripe for resurgence?

Panel discussion

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Overview of the session:

- 1) *Runoff*
- 2) *Sustainability, innovation and the future*
- 3) *The current environment*
- 4) *Resilience and shocks*
- 5) *Consumer duty*
- 6) *Other*



Introducing the panellists



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Question 1: Run-off

Is the run-off of with-profits inevitable? And do (with-profits) actuaries have a responsibility to revitalise it?



Question 2: Sustainability and innovation

Can the industry sustain with-profits in the longer term through product innovation? Is there a place for a product with 'features like With-Profits' in the retirement market ?

What does the future of With-Profits business look like in the UK? What developments might we expect in the next decade?



Question 3: Current environment – rates and inflation

What are the implications for with-profits business of the current market conditions? Do higher interest rates provide an opportunity for With-Profits business and might we see reintroduction of meaningful guarantees?

How are the current high levels of inflation impacting With-Profits business? What might we expect firms to do in response to manage their funds?



Question 4: Resilience and shocks

How resilient are With-Profits funds and how well positioned are they to be able to withstand shocks?



Question 5: Consumer Duty

How will the Consumer Duty impact the role of the WPA? And actuaries more generally? How might the role of the WPC evolve in light of the Consumer duty? E.g. will "value for money" become increasingly prominent?



Question 6: Other

How does with-profits fit into a digital world where customers want up to date information all the time but rates are reviewed periodically and so there can be step changes?



Questions

Comments

Expressions of individual views by members of the Institute and Faculty of Actuaries and its staff are encouraged.

The views expressed in this presentation are those of the panellists and chair.



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Thank you

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