



SUMMARY
REPORT

2021

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BOARD OF DIRECTORS

Executive Directors:

Jon Goodchild
Chief Executive Officer
(appointed 1 April 2022)

John Nickson
Finance Director &
Society Secretary

Jon Craven
Chief Executive Officer
(resigned 14 January 2022)

Non-Executive Directors:

**Bob
Abberley**
Chair of the Nomination &
Remuneration Committee

**Peter
Dodd**
Chairperson

**Tim
Holliday**
Senior Independent Director

**Lucia
McKeever**
Former UNISON
President

**Kathryn
Morgan**
Chair of the Audit & Risk
Committee (appointed 23 June
2021)

**Eithne
McManus**
Chair of the Audit
Committee (resigned
30 June 2021)

**Oliver
Peterken**
Chair of the Risk Committee
(resigned 31 May 2022)

**Angie
Roberts**
UNISON
Representative
(resigned 30 June
2021)

**Tony
Woodley**
Unite Representative

ANNUAL GENERAL MEETING AGENDA

The Annual General Meeting of UIA (Insurance) Limited (the “**Society**”) will be held in the Knebworth Suite, Holiday Inn Stevenage, St George’s Way, Stevenage, Hertfordshire SG1 1HS on Tuesday, 27 September 2022 at 1.30pm to consider the following business and, if thought fit, pass the below resolutions. Resolutions 9 and 10 will be proposed as special resolutions, being resolutions requiring a majority of not less than 75% of members voting in person or by proxy at the meeting; all other resolutions will be proposed as ordinary resolutions, being resolutions requiring more than 50% of members voting in person or by proxy at the meeting. Voting on all resolutions will be conducted by way of a poll rather than a show of hands.

Ordinary Resolutions:

1. To receive the annual report of the Board, the auditors’ report and the audited financial statements for the year ended 31 December 2021.
2. To approve the remuneration report for the year ended 31 December 2021.
3. To re-appoint BDO LLP as auditors of the Society, to hold office until the conclusion of the next annual general meeting, and to agree that their remuneration will be determined by the Board.
4. To elect Jon Goodchild.
5. To elect Neil Southworth.
6. To re-elect Bob Abberley.
7. To re-elect Kathryn Morgan.
8. To re-elect John Nickson.

Special Resolutions:

9. That the amendments to the rules of the Society produced to the meeting and initialled by the chairman of the meeting for the purpose of identification be adopted as amendments to the rules of the Society, subject to and with effect from the Financial Conduct Authority registering the amendments pursuant to section 16(4) of the Co-operative and Community Benefit Societies Act 2014.
10. That, in accordance with section 43(5) of the Co-operative and Community Benefit Societies Act 2014, the decision of the current and former directors to sell to Uinsure Limited the renewal rights in relation to the Society’s household insurance business (the “**Sale**”) and any decisions, resolutions or actions they have made in connection with the Sale be and are hereby approved and ratified for all purposes, notwithstanding the rules of the Society.

Notes:

1. Copies of the agenda and a form of proxy will be sent to members of UIA together with a link to access the 2021 Summary Report online and to access details of the amendments to the rules of the Society proposed in resolution 9.
2. In summary, the key proposed changes to the rules of the Society are to:
 - a. widen the membership of the Society to include the directors of the society, as well as policyholders;
 - b. make calling general meetings easier by reducing the number of members required to be present for a general meeting to be validly held and by reducing the required notice period;
 - c. permit the Society's members to pass member resolutions by way of written resolution approved by all members; and
 - d. increase the flexibility to hold board meetings by reducing the number of directors required to be present for a board meeting to be validly held.
3. The purpose of resolution 10 is to approve the Board's recommendation of the sale of renewals to Uinsure Ltd and the associated processes by ratifying (providing formal consent) so that there is no doubt as to the Board's capacity to enter the sale on behalf of the Society. This is because the sale of renewals to Uinsure is not clearly covered by the Society's rules. Due to timing pressures, it was not practical to amend the Society's rules before the sale agreement was signed – hence the proposal to ratify the sale at this time.
4. The Annual Report and Financial Statements for the year ended 31 December 2021, together with additional copies of the agenda, are available via www.uiamutual.co.uk or on request from the PA to the Chief Executive Officer, UIA (Insurance) Limited, Kings Court, London Road, Stevenage, Herts, SG1 2TP.



Jon Goodchild
Chief Executive Officer
24 August 2022

CHAIRPERSON'S STATEMENT

Business overview for 2021

We highlighted in our last Report and Accounts that the Society faced a very challenging year and this was indeed the experience in 2021, leading to decisive action being taken in early 2022, following the conclusion of a comprehensive strategic review.

During 2021 our results were impacted by our continued participation as an employer in the UNISON Staff Pension Scheme (a defined benefit pension scheme) (the DB Scheme). This placed unprecedented pressure on our solvency ratio.

In addition, our ability to market to members of several key partners was restricted due to certain partners ceasing to share data. Regulatory changes meant the Society was required to remove its "new business discount". In addition, the write-down of costs relating to the new IT platform, together with increased operational costs, caused further pressure on our solvency. By 31st December 2021 the ratio stood at 114%, significantly below the Board's target appetite of 150%. If this trajectory continued the Society would have been in danger of becoming insolvent and therefore at some stage would be unable to pay claims. Options to ensure the Society could remain a going concern in the long term were explored as part of the comprehensive strategic review completed in late 2021.

Overall, post tax losses for the year ending 31st December 2021 were close to £4.2m, compared to a 2020 loss of £2m and a £1.2m loss in 2019 despite restructuring that took place in late 2021.

Future of the Society and actions taken post 31st December 2021 and what it means to members

From early in 2022, the Board recognised that further action was required which would go beyond the comprehensive restructuring, that had already been put in place, to stop increased losses. The result, taken in the best interests of members, was from 31st May 2022 the Board decided to close to new business and to policy renewals for existing customers from 15th July 2022.

So, from 15th July 2022, the Society entered run-off with the aim of achieving this in a solvent and orderly manner with the majority being completed by late 2024. This action has been taken to protect existing policy holders and to ensure all claims can be met.

To achieve this, the newly appointed CEO and the Board elected to take the following five key steps:

1. On 31st May 2022 and in order to facilitate a solvent run-off, the Society agreed Heads of Terms with UNISON and UNISON Pension Trustees to implement a Flexible Apportionment Arrangement (FAA) in relation to the Defined Benefit Scheme. In return for an upfront payment, The FAA enabled the Society to cease contributions to the DB Scheme and to eliminate any future liability for the Society to the Scheme. The FAA is anticipated to complete in September 2022 after a consultation period with the Society's employees who will lose the benefit of the DB Scheme from that date. The terms of the FAA means that any remaining assets at the end of the Society's run-off, following payment of remaining creditors will be contributed to the DB Scheme in return for the elimination of future liabilities for the Society.
2. On 31st May 2022 and In order to continue the Society's brand and to ensure members have options available to them, the Society selected Uinsure Ltd to offer future renewals to Society members. The Board believe that Uinsure provided the best potential value and alignment of values for our members. Uinsure has achieved a five-star Defaqto rating for 9 years in a row. Uinsure Ltd also has existing relationships with several mutuals (Building Societies) ensuring strong alignment of values and an understanding of our members expectations. Their technology is acknowledged as market leading and delivers an approach, that, is simple and customer focused. In addition, 12 members of the UIA staff transferred (under TUPE arrangements) to Uinsure.
3. Furthermore, to ensure that the Society is in a position to pay all claims that are in progress or that might be incurred during run-off, on 1st July 2022 the Society appointed Davies Group as outsourcer/third party administrator and experts in Claims management and run-off situations to manage both central support and operational functions of the Society. This will ensure there is access to ample skilled resources during run-off. This transaction completed 1st August 2022 and provides options for many of our staff to maintain their jobs. 37 colleagues transferred (under TUPE) to Davies Group.
4. The Society owns UIA Call Centres Ltd which provides dedicated support to members of UNISON and is a separate entity to the Insurance business. During September it is intended, as part of the FAA agreement, that UIA Call Centres Ltd will be sold to UNISON. The 57 staff will transfer together with the company on that date.
5. This leaves a small core number of people in the Society to oversee the service provided by Davies Group and to take responsibility to return as much of the remaining Capital as possible, after expenses and claims payments, to benefit the UNISON Pension Scheme.
The Board has throughout the process ensured that the two regulators, Prudential Regulation Authority (PRA) and the Financial Conduct Authority (FCA), were kept fully informed.

Governance arrangements

There were no significant changes to our governance arrangements, where the Society's Board is supported by three Board committees. These are: the Audit Committee, the Risk Committee and the Nominations and Remuneration Committee.

The Board has delegated execution of the Society's strategy to the Chief Executive Officer (CEO). The CEO is assisted in the performance of his duties by the Executive Group. There are also executive working groups covering all aspects of the Society's business.

Board composition

Although there have not been any changes in Board composition during 2021, there are some forthcoming changes to reflect the changes in the Society and to ensure an orderly run-off.

Kathryn Morgan joined the Board at the 2021 AGM and chairs our now combined Risk and Audit Committees. It is intended that Kathryn will succeed me as Chair of the Society at the conclusion of the 2022 AGM.

It is our intention that Neil Southworth joins the Board in September 2022 and we will be asking members to approve that appointment at the AGM. It is intended that, subject to regulatory approval, Neil will chair the Risk and Audit Committee.

Oliver Peterken retired from the Board in May 2022 after six years with the Society with Lucia McKeever, Tony Woodley and Tim Holliday all leaving the Society at the AGM.

Jon Craven stepped down in January 2022 and was succeeded as Chief Executive Officer, by Jon Goodchild, the Society's Chief Commercial Officer.

Bob Abberley will remain on the Board and, subject to regulatory approval, will become the Senior Independent Director, replacing Tim Holliday.

The Society thanks the departing non executives for all their contribution. The size and shape of the Board moving forward will reflect the new strategic direction of the Society following its entry into run-off.

Our colleagues and members

I would like to thank all of our colleagues who have worked tirelessly to serve our members through a very difficult period for the Society. I have been very impressed by how well the organisation has adapted to the huge changes completed in recent months, continuing to deliver excellent service to our members.



Peter Dodd
Chair of the Board
24 August 2022

STRATEGIC REPORT

The Directors present their Strategic Report on the Group for the year ended 31 December 2021.

Society Purpose

As detailed in the Chairman's statement, our new aim is to ensure an orderly run-off of the Society on a solvent basis, with cover and protection provided to policy holders throughout this period. As the business runs off and there is more certainty about the final cost of claims, we plan to use any surplus as an additional contribution to the DB scheme.

Ancillaries

During the year under review, the Society continued to underwrite Home Emergency Assistance (Class 18) business, Before The Event (BTE) Legal Expenses insurance and After The Event (ATE) legal expenses insurance. Again, new business of these products ceased with effect from 15 July 2022

Scheme of Operations

The FCA and PRA require a comprehensive plan to be in place for firms, such as the Society, that enter into run-off. At the time of writing, this is being prepared to model our solvency cover ensuring we plan and mitigate any risks the Society may experience over the next period.

Business model and strategy

Our results for the year ended 31 December 2021 are set out on pages 29 to 31 and the balance sheet position at the year-end is set out on pages 32 to 35.

Membership has continued to decrease during 2021. Total membership including joint policyholders decreased to 88,196 by the end of 2021 (2020: 96,210). The main reason for the decline was the highly competitive market for household insurance, coupled with the high fixed costs of running a relatively small insurance business and the issues highlighted in the Chairperson's statement.

2021 saw the Society make a loss of £4.2m before re-measurement of the defined benefit pension liability, compared to a loss of £2m in 2020. Key reasons for the increased loss include: redundancy payments (2021: £423k) associated with the annual restructuring and the investment losses on our bond and cash funds. The investment portfolio was further de-risked in the first part of 2021. This de-risking exercise into short term cash and bond funds has minimised the losses that we might otherwise have suffered, as inflation and interest rate rise expectations rose during late 2021 and 2022 to date.

In spite of the loss for the year, the retained profit increased marginally from £19.3m to £20.0m as a result of a significant fall in the pension scheme deficit. Details of the pension scheme deficit are contained in note 30.

The year-end solvency ratio fell to 114% (2020: 139%). Own funds fell from £18.4m to £17.6m, in part because of the expenditure on the new policy administration system, which is a disallowable asset. The solvency capital requirement increased from £13.2m to £15.4m, primarily due to changes in the market risk associated with the pension scheme assets.

We also make use of alternative performance measures as detailed in the Glossary at the end of these financial statements.

The combined operating ratio (COR) is a common measure for insurance companies and is calculated as total costs (claims plus commission and expenses) divided by net earned premiums. The ratio worsened slightly from 122.9% to 126.5% during 2021. This was largely driven by the December 2021 redundancy payment of £365k which impacted the expense element of the ratio. Also, Gross Earned Premiums (GEP) decreased by 5.6% compared to the previous year due to declining new business (GEP 2021: £18.4m, 2020: £19.5m).

Our retention rate improved circa 10% points to 85%, despite competition from the comparison site channels and the increasingly soft market. In part this was due to a lower level of pricing changes, following the significant re-pricing activity of recent years.

Staff Impact

The average remuneration paid to staff employed during the year, amounted to £31,002.

12 staff transferred under TUPE to Uinsure Ltd on 27 June 2022.

The remaining run-off business transferred to Davies Group Limited in August 2022, when a further 37 staff transferred under TUPE.

Up to six staff will remain with the Society to ensure the Society's remaining activities (such as the run-off of policies to be carried out by Davies Group Limited) are managed as effectively as possible.

At the same time that the FAA is concluded in September 2022, the Society will sell its wholly owned subsidiary, UIA (Call Centres) Limited, to UNISON (see Note 2.1.2 Subsequent events). This subsidiary employs the colleagues who provide the helpline services for UNISON members. UNISON is the only client of UIA (Call Centres) Limited. Approximately 55 colleagues work for UIA (Call Centres) Limited and their employment will remain with that subsidiary company. Each employee will remain part of the UNISON Staff Pension Scheme.

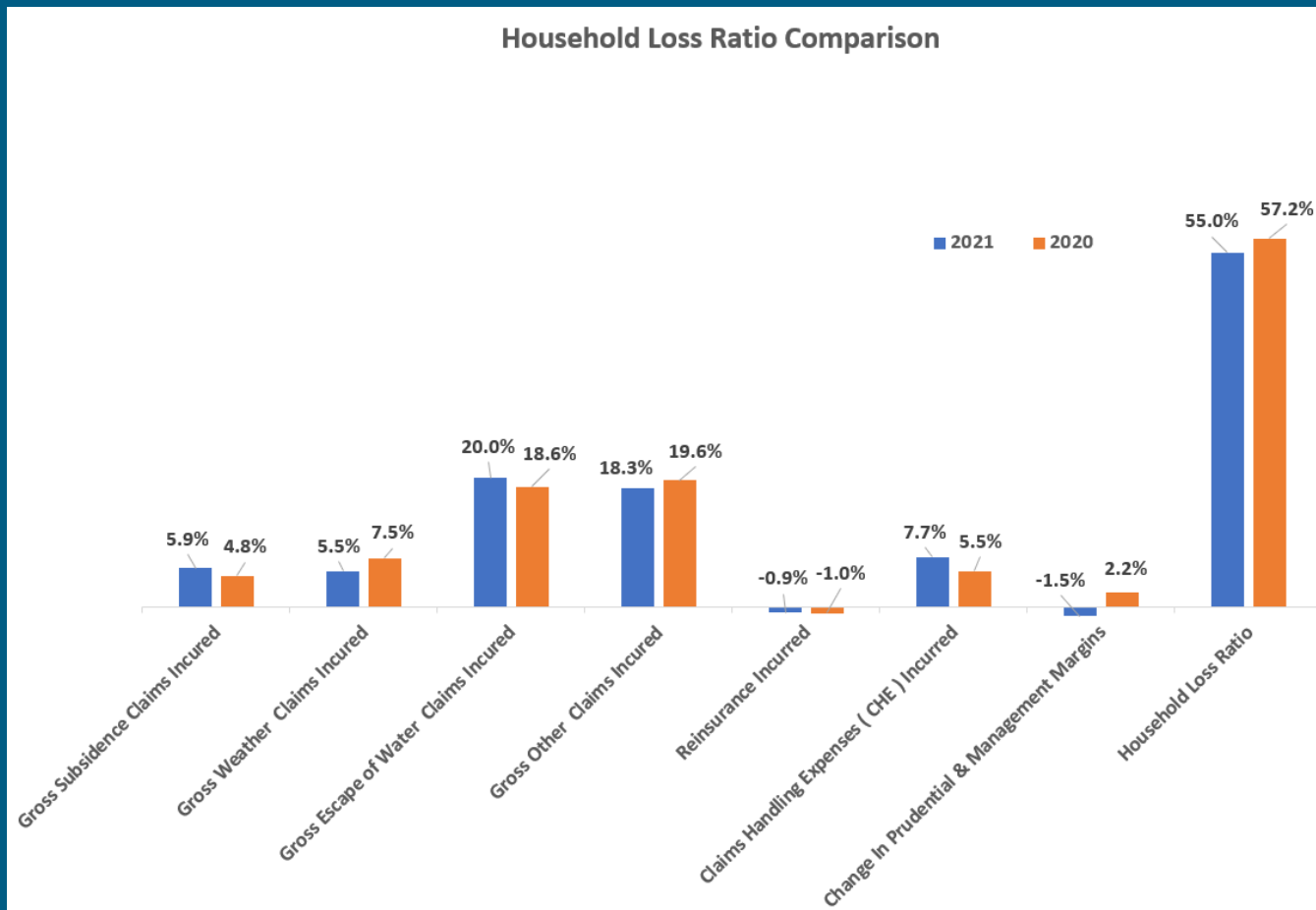
The Russian – Ukrainian war does not have any direct impact on the business, further details are in the Post Balance Sheet Events – the Russian – Ukrainian war (page 80)

Key performance indicators (KPIs)

KEY PERFORMANCE INDICATOR	2021	2020
Financial		
Combined operating ratio	126.53%	122.90%
Household loss ratio	56.88%	57.20%
Underlying household expense ratio	64.88%	60.20%
Commission Ratio	4.78%	5.50%
Retention Rate	85.60%	75.30%
Investment yield excluding capital gains or losses	1.30%	2%
Return on capital employed	-22%	-7%
Solvency II Cover	114%	139%
Non-financial		
New Business policy count		
- Traditional	4,666	5,980
- Together	12	19
Average new business premium		
Acquisition cost per policy	£167	£161

Key performance indicators (KPIs) (continued)

The chart below shows the breakdown of our underlying household loss ratio:



Key conduct indicators

One of the ways in which we can continue to differentiate ourselves as a mutual is to display those attributes that a customer-centric organisation has at its heart. Those attributes of fairness, trust and community mindedness coupled with a high level of member service, are key to what we do.

CONDUCT RISK INDICATOR		DEC 2021	TARGET	DEC 2020
Service Levels	Customer Services	62%	>80%	77.70%
	New business	75.9%	>80%	87.10%
	Claims abandoned calls	2.3%	<5%	5.60%
Not taken up	Not taken up	1.81%	<5%	2.20%
Declined Claims	Claims declined	0.175	<25%	12.10%
Customer Satisfaction*	Marketing How Are We Doing	92.5%*	>90%	93%
Reportable complaints to Financial Ombudsman	Claims and Customer services (for the year)	22	<25	2000%

*- Jan-Oct data

Targets are set internally based on prior experiences as well as looking at industry standards. If a target is missed then this is investigated to see if it is short or long term and if required what actions need to be taken.

Customer service levels have slightly dropped below target as a result of working remotely. This is expected to return to acceptable levels in 2022.

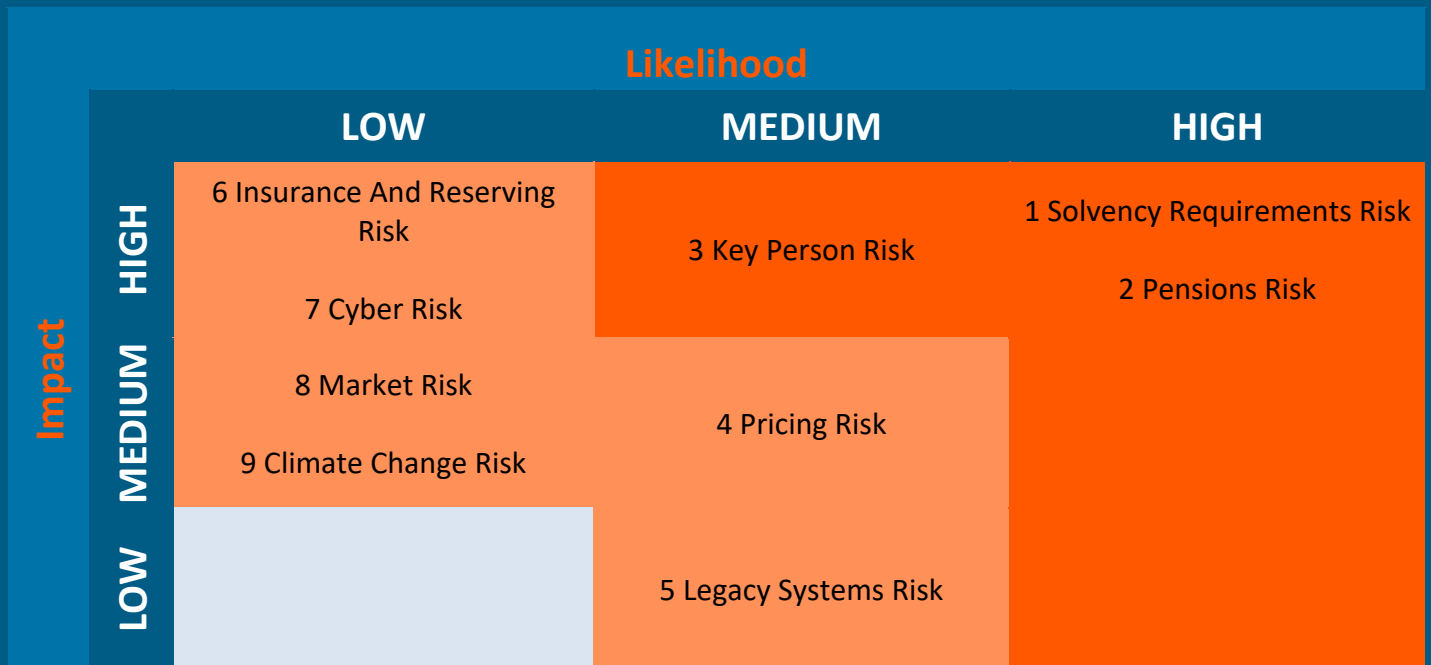
Our claims abandoned calls rate has now reduced to an acceptable level as a result of our restructuring of the claims department.

Executive pay

The Nominations and Remuneration Committee reviews executive pay using external advisers on a triennial basis. On an annual basis, subject to the approval of the Committee, executive pay is increased at the same rate as that applied to our colleagues. No increase in Executive Director pay was made for 2021 or 2022.

Principal risks and uncertainties

Our heat map of principal risks and uncertainties facing the business is shown below:



RISK NO.	RISK HEADING	RISK DESCRIPTION	CONTROLS AND ACTIONS
1	Solvency Requirements Risk	During 2021 the SCR fluctuated and reached a point below the Society's risk appetite of 150%.	A strategic review took place throughout 2021. Increased expense control was put in place as well as a restructure that resulted in a reduction of employees. In October the new policy administration system went live, which will enable the improved pricing engine to be launched.

RISK NO.	RISK HEADING	RISK DESCRIPTION	CONTROLS AND ACTIONS
2	Pensions Risk	The current employer pension scheme is in a deficit position. The latest triennial valuation took place in 2020 and showed an overall deficit. This deficit is mainly attributable to UNISON, the sponsoring employer of the scheme. This deficit or surplus has changed at each annual re measurement and our share is approximately 5.0%.	Heads of Terms have been put in place with UNISON and the DB Scheme Trustees for a Flexible Apportionment Arrangement. This eliminates the Society's liabilities to the DB Scheme although means the closure of the DB Scheme to new and existing employees of the Society. If this agreement had not been put in place the Society could have faced an insolvent run-off. Any capital remaining in the Society will be paid to the benefit of the DB Scheme and/or UNISON.
3	Key Person Risk	Following the Autumn 2021 restructure there was a reduction in employees. During the latter part of 2021 a few key persons decided to leave the Society. This led to increased pressure on those colleagues who remained.	Until permanent replacements have been sourced, external expertise for business-critical roles is called upon on a short-term basis. The new policy administration system has led to efficiencies in some areas of the business and less reliance on any one person. The appointment of Davies Group Limited as outsourcer/third party administrator to manage the run-off of UIA should also reduce the Key Person Risk.
4	Pricing Risk	The Society operates in a highly competitive market and there is a risk that the Society either charges an inappropriate price for household insurance or fails to react quickly to changing market circumstances and regulatory changes which could lead to a poor underwriting result. It can also impact new customer acquisition in a price sensitive market.	Whilst the implementation of the policy administration system enabled the launch of a new pricing engine offering increased flexibility it is recognised that from 15th July 2022 the Society will be managing an orderly run-off.

RISK NO.	RISK HEADING	RISK DESCRIPTION	CONTROLS AND ACTIONS
5	Legacy Systems Risk	Increased pressure on expenses may lead to delays in replacement/upgrades of legacy systems. This may cause security and compliance concerns.	Access is controlled to a small number of authorised personnel.
6	Insurance And Reserving Risk	The Group's business is to accept insurance risk which is appropriate to enable the Group to meet its objectives. Reserving risk is associated with insurance risk and it occurs when claims provisions make insufficient allowance for claims, claims handling expenses and reinsurance bad debt provisions. There is a possibility that the Group does not make sufficient provision for exposures which could affect the Group's earnings and capital.	Within a Board approved underwriting policy and agreed risk appetites, the Group seeks to balance this insurance risk with the pursuit of appropriate reward in the form of sufficient levels of insurance premiums. Particular attention is paid to actual and forecast loss ratios, being claims incurred divided by premiums. The Group's actuarial team uses a range of recognised actuarial techniques to project the gross written premium, monitor claims development patterns and determine claims provisions. The Board review the reserving position quarterly.
7	Cyber Risk	The risk that our Information Technology systems are attacked by external sources causing loss of proprietary information, personal data breach, or inability to trade. There is some increased risk associated with Covid-19 and working from home arrangements.	The Group continuously monitors for any threats or attempted threats. This form of risk evolves and our response needs to be agile to potential threats. The Society's operational resilience continues to be monitored in this respect. When working from home, remote access to systems is obtained via secure VPN connections, and all members of staff have been regularly reminded of the risk of increased threat and to be vigilant.

RISK NO.	RISK HEADING	RISK DESCRIPTION	CONTROLS AND ACTIONS
8	Market Risk	Market risk is the risk arising from fluctuations in the values of, or income from, the Group's assets due to fluctuations in equities, interest rates, and/or exchange rates.	Market risk is managed through our assets being diversified. Regular meetings are held with the Society's investment fund manager.
9	Climate Change Risk	The risk is that climate change significantly increases the risk of natural disasters such as flooding and windstorm events in the UK.	As an insurer of property, we are exposed to changes in climate that lead to increased windstorms or flooding events. Climate change is slow and affects all insurers. We believe we can adapt to such changes through our improved pricing and underwriting mechanisms. The framework for financial risk of climate change has been further embedded during 2021.

Changes to principal risks

Our principal risks are largely similar to last year with the likelihood rating of the pension risk remaining at high owing to the increased uncertainty in investment market conditions, higher inflation, and our declining commercial performance.

Reinsurance arrangements

Our core reinsurance arrangements ran from 1 January 2021 to 31 December 2021. The Board approved purchasing cover in line with our Risk Appetite. In addition, we continued to cede about 1% of our live policies to Flood Re during the course of 2021. Our core arrangements for 2022 were in place from 1 January 2022, also in line with our Risk Appetite, and we continue to cede policies to Flood Re at a similar rate to 2021. All other aspects of our reinsurance placement (e.g. credit rating of supporting reinsurers) remain in line with our Risk Appetite.

Section 172

Directors' duties include the duty of a director to promote the success of the Society for the benefit of its members as a whole, as covered in Section 172 of the Companies Act.

UIA adopted the AFM Corporate Governance Code in 2019, which provides a framework for the Society to not only demonstrate how the Board makes decisions for the long-term success of the Society and its stakeholders (as evidenced in Principle 6 – Stakeholders), but also having regard to how the Board ensures the Society complies with the requirements of Section 172 of the Companies Act 2006.

The reporting against the AFM Corporate Governance Principles has been included on page 14.

Throughout 2021, the Board continued to review and challenge how the Society can improve engagement with its colleagues and stakeholders in line with UIA's values; Stronger Together, Be Courageous, Inspire Trust, Celebrating Differences, Community Minded which have been embedded throughout the organisation.

The Directors of UIA understand and accept that they must act in the way they consider, in good faith, would be most likely to promote the success of the Society for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:

- The likely consequences of any decision in the long term;
- The interests of the Society's employees;
- The need to foster the Society's business relationships with suppliers, customers and others;
- The impact of the Society's operations on the community and the environment;
- The desirability of the Society maintaining a reputation for high standards of business conduct; and
- The need to act fairly as between members of the Society.

Significant stakeholders, and how they have been considered by the Board within the parameters of Section 172 of the Companies Act, are shown in the table on page 11.

Sustainability information statement - Climate Change

Looking at physical risks, the short-tailed nature of household insurance combined with the annually renewable nature of cover allowed the Society to respond swiftly to underlying climate change risks observed in experience. This was primarily through risk selection, re-pricing and other underwriting actions, but also included reinsurance options. The Society purchases per risk and catastrophe reinsurance to protect against the potential impact of large weather and other catastrophic natural events. In 2020 The Financial Risk of Climate Change Framework was implemented, and has been further embedded through 2021.

In addition, the Society may have opportunities to mitigate risk by helping policyholders take action against risks of climate change (such as education and awareness of anti-flood measures that policyholders can action on their insurable interests).

With regard to Transition risks, our investment managers, RLAM, incorporate environmental, social and corporate governance dimensions when considering asset purchases. They report regularly on such matters to our internal Investment Management Group.

STAKEHOLDER	HOW STAKEHOLDER INTERESTS ARE CONSIDERED BY THE BOARD AND THE SOCIETY
Members of the Society	<p>The Board of Directors are appointed by the members at the Annual General Meeting, at which all members are invited to attend and/or vote. An annual membership engagement survey is conducted, along with ‘How are we doing’ surveys, the results of which are considered at the monthly Commercial Forum, which was formed to focus on Members requirements. Complaints and feedback are handled in line with Society and regulatory policy and fed back into the business for continued improvement.</p>
Trade Union Partners	<p>UIA has a dedicated Partnership Team, who promote UIA’s products and services to our Trade Union partners and liaise with Trade Union members and officials, to help best serve our Partners and Members. The UIA Board has two Trade Union nominated members who actively contribute to discussion, challenge and decision making. UIA also provides a Helpline service to UNISON Members through UNISONdirect.</p>
Colleagues	<p>UIA has run an annual Colleague Engagement Survey for the last four years, which captures and tracks feedback from all colleagues. Suggestions and actions that have come out of this survey, and other internal feedback methods, are tracked and progressed through the Colleague Engagement Working Group. UIA also supports colleagues in their CPD, ensuring they meet the IDD requirements and encouraging growth and learning through the UIA training programme, and workshops are offered to develop soft skills throughout the year. Monthly 1:1s between colleagues and managers take place to track performance, feedback, and career aspirations. Frequent organisation-wide communications are sent to all colleagues, and bi-annual Society briefings are conducted by the CEO to update all colleagues on the Society’s performance, goals and news. UIA chose to be reviewed by Investors in People in 2020. Investors in People assess a firm’s ability to lead, support and improve. UIA maintained it’s ‘Established’ standard.</p>

Regulatory authorities	<p>UIA operates openly and honestly with the regulatory authorities, appropriately communicating all matters that need to be reported. Regulatory submissions are made to appropriate deadlines, with review, recommendation and approval made through the relevant Board, Committee or working parties, with decisions and approvals tracked and minuted. The UIA Board takes into account regulatory requirements and expectations when undertaking decision making for the Society. All colleagues understand and adhere to the Conduct Rules, and colleagues that fall under the SMCR regime are appropriately registered and reviewed. The PRA and FCA were kept fully informed about the five key steps taken following the strategic review.</p>
Suppliers	<p>UIA has a dedicated Supply Chain Manager and undertakes appropriate due diligence and contract reviews for suppliers. MI is regularly received from suppliers and discussed with them at periodic meetings. Suppliers are reviewed at appropriate intervals to ensure that the Supplier is the best fit for the Society and our members. Twice monthly payment runs are actioned for general suppliers, and monthly payment runs are actioned for claims suppliers.</p>
The Community	<p>UIA has policies in place to support colleagues in undertaking voluntary work to serve the Community. UIA has policies in place to cover charitable donations, including charity matching. Local charities within the Community are nominated and supported through the year, and in particular in the run up to Christmas.</p>
The Environment	<p>UIA is operating a programme of change to help combat climate change. This includes actioning environmentally friendly activities, including significantly reducing single use plastic, adding mixed recycling bins, recycling shredded paper, reducing printing and postage, and promoting a cycle to work scheme. Environmental initiatives, suggestions and improvements are welcomed by management and implemented where possible.</p>



Jon Goodchild

Chief Executive Officer
24 August 2022

SUMMARY DIRECTORS' REMUNERATION REPORT

Executive pay

The Nominations and Remuneration Committee reviews Executive pay using external advisers on a triennial basis. On an annual basis, subject to the approval of the Committee, Executive pay is increased at the same rate as that applied to our colleagues.

Remuneration policy for Executive directors

The policy is that the remuneration for Executive directors should reflect performance and enable the Society to attract, motivate, and retain suitably qualified individuals.

Salaries

Base salaries are reviewed triennially using external consultants. This was last carried out in 2019 and the next review is in 2022. In the intervening years, subject to the approval of the Nominations and Remuneration Committee, the policy is to increase base salaries at the same basic inflationary rate as the Society's colleagues. No increase was applied for 2021 or 2022.

Pension

Executive directors are eligible to be members of UNISON's Staff Pension Scheme, which is a defined benefit plan with a pension paid on retirement based on salary and length of service. Contributions of 9.1% were made in 2021 by way of salary sacrifice by the Directors that elected to join the scheme, and a further 26.8% by the Society. Additionally, social security taxes associated with the salary sacrifice are contributed. Future contributions rates are disclosed in Note 30: Retirement benefit obligations. A director who doesn't join the scheme is eligible for a pension allowance. The Society provides a lump sum benefit of four times basic salary in the event of death in service to Executive directors, either through the scheme or independently.

Other benefits

Executive directors are provided with a car or receive a car allowance equivalent in value to the maximum permitted lease cost, plus insurance and servicing costs. The maximum permitted value varies with the role. In addition, Executive directors are eligible to participate in the Society's Healthcare Cash plan arrangement which is run by Westfield Health.

All Executive directors have contracts of employment incorporating their terms and conditions that are normally terminable by either party giving six months' notice.

	Jon Craven	John Nickson
	£	£
Salary and Fees	158,869	132,600
Pension and travel allowance	37,599	45,329
Other benefits	560	560
Compensation for loss of office	131,175	
Total 2021	328,203	178,489
Total 2020	197,028	178,489

Remuneration policy for Non-Executive Directors

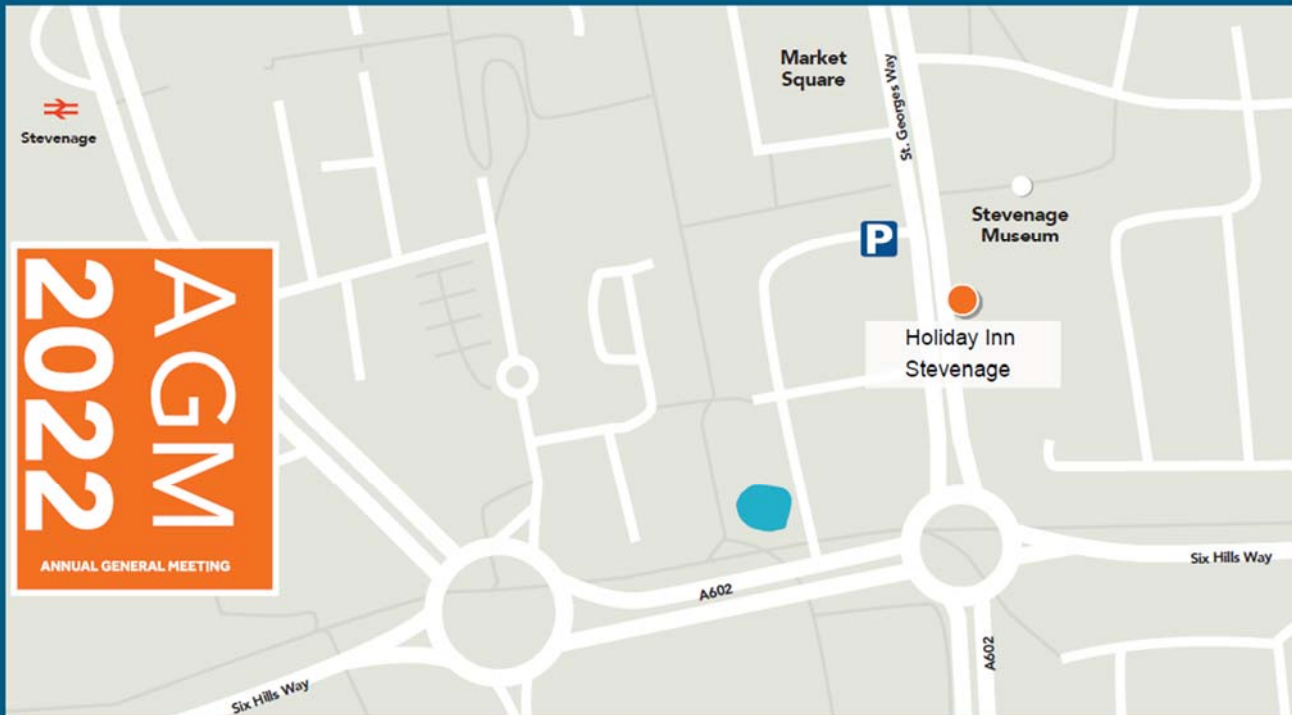
Fees for Non-Executive Directors are reviewed annually by the Nominations and Remuneration Committee with changes normally effective from 1 January. Fees are designed to recognise their responsibilities and are reviewed using external third-parties on a triennial basis. This was last carried out in 2019. In the intervening years, subject to the approval of the Nominations and Remuneration committee, the policy is to increase base salaries at the same rate as the Society's colleagues. No increase was applied for 2021 or 2022.

The policy is to allow discretion to accommodate the need to attract different skills, experience and knowledge. Fees comprise a basic annual fee, paid in monthly instalments. Fees are neither pensionable nor performance-related and Non-Executive Directors do not participate in any bonus schemes. The basic salary for the Chairperson is £48,376. The basic salary for the Non-Executive Directors is £28,596 (2020: £28,596), with industry specialist Non-Executive Directors receiving £32,250. Committee Chairs are paid an additional £3,225 in recognition of their additional responsibilities. If Non-Executive Directors and Chairs of Committee are appointed or resign during the year, then a pro-rata fee is applied.

	Salary and fees 2021 £	Salary and fees 2020 £
Peter Dodd	48,376	48,376
Bob Abberley	31,821	31,821
Tim Holliday	35,475	35,475
Lucia McKeaver	28,596	28,596
Eithne McManus	17,738	35,475
Oliver Peterken	35,475	35,475
Tony Woodley	28,596	28,596
Angie Roberts	14,298	25,920
Kathryn Morgan	18,556	-
Total	258,931	269,734

The Nominations and Remuneration Committee agreed a supplementary payment of £40,000 to Tim Holliday, for his services as Interim Chief Executive following the departure of the previous Chief Executive in January 2022.

Where to find us on the day



Situated in the very heart of the busy business hub of Stevenage, the 4-star Holiday Inn is within easy walking distance of Stevenage railway station.

BY RAIL: A 20-minute train journey from London Kings Cross, Stevenage train station is an eight-minute walk away from the hotel through the town centre. Trains also connect regularly with the north.

BY CAR: From the A1(M) motorway, exit at Junction

7 and take the A602 exit to Stevenage. Follow the A602 to St. George's Way and the Holiday Inn Stevenage will be on your right.

CAR PARKING: A public car park is located opposite the hotel at Southgate, Stevenage, SG1 1EW. Alternative parking can be found at Westgate Multi Storey. Both offer a reduced rate of £3.70 to hotel guests. Validate your token at the hotel reception. Accessible parking is available at

the hotel.

BY AIR: London Luton Airport is 30 minutes away by taxi. National Express coaches take around 50 minutes.

**The Knebworth Suite
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**Tuesday 27 September 2022
at 1.30pm**

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