

STANDARD LIFE PENSION FUNDS LIMITED

Company Registration Number: SC046447

STRATEGIC REPORT, DIRECTORS' REPORT AND
FINANCIAL STATEMENTS
for the year ended 31 December 2024

STANDARD LIFE PENSION FUNDS LIMITED

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Strategic report

The Directors present the Strategic report, their Report and the financial statements of Standard Life Pension Funds Limited ("the Company") for the year ended 31 December 2024.

The financial statements of the Company for the year ended 31 December 2024 have been prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* ("FRS 102") and Financial Reporting Standard 103 *Insurance Contracts* ("FRS 103") (together "UK GAAP") in conformity with the requirements of the Companies Act 2006. The provisions of Schedule 3 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 relating to insurance companies also apply to the Company.

Business review

Principal activities

Prior to the transfer in 2023 of all the long-term business and the majority of the Company's assets to Phoenix Life Limited ("PLL"), a fellow group company, under a Part VII of the Financial Services & Markets Act 2000 ("Part VII transfer"), the principal activity of the Company was the provision of pension products in the UK. Subsequent to the Part VII transfer, the Company's principal activity has been the investment of the assets retained in the Company.

Corporate activity

An application was successfully submitted to the Financial Conduct Authority ("FCA") and Prudential Regulation Authority ("PRA") for cancellation of the Company's Part 4A permissions under the Financial Services and Markets Act 2000. Following deauthorisation on 14 November 2024, the remaining assets were transferred by the Company in accordance with the Part VII transfer to PLL for £nil consideration and the Company has become inactive. It is anticipated that the Company will remain inactive for the foreseeable future.

Climate change: activity in the year and future developments

Climate change remains one of the greatest global challenges faced today. Whilst the Company no longer has any direct customers, as a member of a purpose-led Group we want to continue to play our part in delivering a net zero economy; our actions are either directly or indirectly aligned with this goal. The primary drivers for our actions are to reduce the Group's overall exposure to climate-related risk and take advantage of the opportunities presented by the net zero transition.

We also recognise that nature loss and degradation is a material financial risk to the Group's customer base, and we are taking action to understand and address our dependencies and impacts on nature across all areas of our business, including the Company.

We are scaling up our actions to drive wider system change and we strive to use our position of influence to bring about positive change. In parallel we are on a journey to decarbonise our own operations and supplier base.

As a Group, we have identified and assessed the impact of climate-related risks and opportunities on the business, strategy, and financial planning over short- term, and long-term horizons. We have committed to being net zero by 2050 across our investment portfolio, operations and supplier base and have set near-term targets to help us to navigate our progress to meet our net zero ambition.

In 2023 the Group published its Net Zero Transition Plan which sets out our strategy in detail and the actions that the Group will take across three core pillars: Invest, Engage and Lead to deliver our net zero targets. The application of the Net Zero Transition Plan is set by Group but considers its subsidiary companies, including the Company, in their plan.

The Company seeks to follow and apply the strategy, risk management, and climate governance framework set by the Group to ensure it can contribute and help support the Group to meet its Climate and Sustainability Targets. The Group's understanding of climate and wider sustainability risks continues to evolve as new risks emerge, with nature increasing in its importance. As Group looks to take steps to address nature risk, the Group framework in place for climate is expected to extend to consider climate and nature risks together.

More information on the Group's TCFD-aligned disclosures and integrated nature disclosures and sustainability strategy can be found in the Group's Annual Report and Accounts and standalone Sustainability Report respectively.

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Key Performance Indicators (“KPIs”)

The results of the Company for the year are shown in the Statement of Comprehensive Income on page 13.

Given the straightforward nature of the business, the Company’s Directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.

Dividends of £nil were paid to the parent company during the year (2023: £nil). The Directors do not recommend the payment of a final dividend.











Directors’ duties under section 172 of the Companies Act

Section 172 of the Companies Act 2006 (the ‘Act’) requires each director of a company to act in the way they consider, in good faith, would most likely promote the success of the company for the benefit of its members as a whole. In doing so, each director must have regard, amongst other matters, to the:

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

During the year the Directors of the Company have applied Section 172 of the Act in a manner consistent with the wider Group’s purpose, values and strategic priorities, whilst having due regard to the Company’s ongoing regulatory responsibilities as a financial services business. To support the fulfilment of the Directors’ duties outlined above, each paper prepared for consideration by the Board contains an analysis of the potential impact of proposals to be considered by the Board in light of the factors contained in Section 172.

The Board recognises that the Company’s stakeholders are integral to its success. During the year, the Board ensured that its considerations and decision making processes took into account their impact on its own stakeholders. The key stakeholder groups of the Company and its relationships with each are as follows:




Strategic priorities key	
 Optimise our in-force business	 Grow organically through M&A and  Enhance our operating model and culture
Key stakeholder groups	
 Investors	 Government, trade bodies & regulators
Our sole shareholder is Phoenix Life Limited. As a Phoenix Group company, our ultimate shareholder is Phoenix Group Holdings plc (PGH). The Board recognises the role it plays in driving growth to help the Group meet the needs of its customers.	Until its deauthorisation in November 2024, our business was regulated by the PRA. Throughout the year, the Board acknowledged the importance of maintaining positive relationships with the Company’s regulators.
Link to strategic priorities	
  	 
How has the Board engaged with and had oversight of stakeholder views during the year?	
<ul style="list-style-type: none">• The governance framework within the Board operates is designed to facilitate good information flows between and robust decision-making at all levels within the Group.• During the year both the Group Chief Executive and Group Chief Financial Officer were members of the Board, which further strengthened the link between the Company and its ultimate parent, PGH. Updates on the	<ul style="list-style-type: none">• The Board received updates on management’s interactions with regulators and any feedback received from those bodies.


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Group Board's activity were provided within their regular reporting.	
The Board's role in promoting positive stakeholder relationships	
The Board maintains strong links with its ultimate parent, PGH, through regular reporting and interaction with the Group Board and its committees and vice versa.	As the guardian of the Company, (ensuring robust governance, controls and risk management) the Board is responsible for holding management to account for day to day compliance with regulation and legislation; ensuring transparent communication of such compliance to maintain trust in Phoenix.

Key board decisions


The pages that follow contain examples of key decisions of the Board, their alignment to the Group's strategy, how the Board reached its decision (including consideration of matters set out in Section 172; the interests of stakeholders; related risks and opportunities; and challenges it faced) and the outcome of those considerations. The examples shown are provided to demonstrate how the Directors of the Company have carried out their duties under Section 172 of the Act.

Strategic priorities key		
 Optimise our in-force business	 Grow organically and through M&A	 Enhance our operating model and culture

Example key Board decision		YE23 Annual Solvency II Pillar 3 Reports
Link to strategic priorities		How the Board reached its decision
		As part of maintaining a reputation for high standards of business conduct within the Group's annual Solvency II reporting processes, the Board reviewed the Company's Pillar 3 reports prior to submission to the PRA. In doing so it noted that the reports had been subject to robust review and sign-off internally and that since the Part VII transfer of the Company's business in 2023, only the minimum capital requirement remained. The Board also received assurance that following external audit, no outstanding audit matters remained outstanding. It also noted that there were no unadjusted differences or other matters of concern.
Outcome		Following due consideration of the matters set out in section 172 (and to the extent that they pertained to the Company), the Board concluded that the requirements of the Statement of Directors' Responsibilities in the Group Solvency and Financial Condition Report (SFCR) had been met and approved inclusion of the Company-specific sections in the Group SFCR.

Example key Board decision		YE23 Annual Accounts
Link to strategic priorities		How the Board reached its decision
		Consideration of section 172 matters As part of the year end accounts approval process, the Board considered whether the expectation that the Company would continue in operational existence for the foreseeable future was appropriate. The Board considered supporting paperwork presented by the Financial Reporting team, together with an update on the external audit of the accounts, which had not raised any material findings. Such consideration enabled the Board to reach a decision to approve the YE23 accounts, within which a going concern statement was included (relied upon by others assessing the business). The long-term impact of the decision to approve the YE23 accounts therefore included the potential reliance of those reading the accounts on the going concern statement, which the Board considered to be relevant and accurate.
Outcome		Following due consideration of the matters set out in section 172, the Board approved the YE23 accounts.

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Example key Board decision	Cancellation of regulatory permissions
Link to strategic priorities	How the Board reached its decision
	<p>Consideration of section 172 matters</p> <p>The Board considered a request to approve the de-authorisation of the Company following the successful transfer of the Company's business to another life company of the Group in October 2023. In considering the request, the Board noted the following matters pertaining to the Company:</p> <ul style="list-style-type: none"> • That the Company had paid, secured or otherwise discharged all liabilities arising out of all contracts of insurance previously underwritten by the Company; • That the Company had ceased all regulatory activities for which it was authorised; • That all liabilities arising out of regulated activities, including present and future, for the Company had been either repaid, secured or otherwise discharged; • All potential or actual liabilities arising from customer complaints for the Company had been settled, secured or otherwise discharged; and • That there were no outstanding regulatory fees to be paid. <p>Being able to provide assurance on these matters to the regulator, which the Board noted were supported by Line 2, would not only support the ongoing viability of the Company over the long-term, but would ensure ongoing high standards of business conduct.</p>
Outcome	Following due consideration of the matters set out in section 172, the Board irrevocably endorsed the Company's application to cancel its regulatory permissions.

Business relationships with customers

Since the transfer of its books of business to another Group subsidiary in October 2023, the Company no longer has any customers. However, as part of the wider Phoenix Group, the Board continues to consider the impact of its decision-making on customers elsewhere within the Group, subject always to ensuring that the strategic objectives of the Company are maintained.

Business relationships with Partners/Suppliers

The Service Companies within the Group are the principal leads on maintaining relationships with suppliers with respect to their contractual obligations. In accordance with the PRA's Supervisory Statement 'SS2/21', the collective Life Companies' Board, has oversight of the relationship with outsourced service providers ('OSPs') with respect to their delivery of services to customers and this responsibility is reflected in their schedule of matters reserved.

Energy and carbon reporting

Energy and Carbon usage information is disclosed in the Group's annual report and accounts and accordingly the Company has not reported on this in these individual financial statements.

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Risk Management***Risk Management Framework***

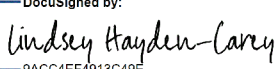
The Company adopts the Phoenix Group's Risk Management Framework ("RMF"). The Group's RMF embeds proactive and effective risk management. It seeks to ensure that all material risks are identified, measured, managed and monitored within approved risk appetites and reported through agreed governance routes in line with delegated authorities. The Group RMF is aligned to the principles and guidance in ISO 31000 Risk Management standards.

The components of the Group's RMF are outlined in the Strategic Report of the Group's Annual Report and Accounts 2024.

Principal risks and uncertainties

Following deauthorisation, the Company has become inactive and is not expected to be exposed to any material risks.

On behalf of the Board

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L Hayden-Carey
For and on behalf of Pearl Group Secretariat Services Limited
Company Secretary

15 September 2025

STANDARD LIFE PENSION FUNDS LIMITED

Directors' report

The Company is incorporated in Scotland. Its registration number is SC046447 and its registered office is Standard Life House, 30 Lothian Road, Edinburgh, EH1 2DH.

Going concern

The Directors have followed the UK Financial Reporting Council's "Going Concern Basis of Accounting and Reporting on Solvency and Liquidity Risks (April 2016)" when performing their going concern assessment. The Directors have also considered the Part VII transfer and cancellation of its Part 4A permissions under the Financial Services and Markets Act 2000. The Company has ceased all regulatory activities for which it was authorised but continues to hold an active bank account. At the date of reporting there are no formal plans to wind up the Company.

As a result of this review, the Directors believe the Company has adequate resources to continue in operational existence over the going concern period assessed for no less than 12 months from the date of approval of these financial statements. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Directors

The names of those individuals who served as Directors of the Company during the year and who held office at the date of signature of this report are as follows:

Arlene Cairns	(appointed 1 April 2024, resigned 1 February 2025)
James Buffham	(appointed 31 January 2025)
Samuel Lever	(resigned 20 March 2024)
John Lister	(resigned 1 February 2025)
Peter Mayes	(resigned 31 March 2024)
Brid Meaney	(resigned 1 February 2025)
Kerry Sutton	(appointed 31 January 2025)
Lindsey Hayden-Carey	(appointed 2 September 2025)

Secretary

Pearl Group Secretariat Services Limited acted as Secretary throughout the year.

Matters disclosed in the Strategic report

The Directors' duties section of the Strategic report covers stakeholder engagement.

Disclosure of indemnity

Qualifying third party indemnity arrangements (as defined in section 234 of the Companies Act 2006) were in force for the benefit of the Directors of the Company during the year and remain in place at the date of approval of this report.

Disclosure of information to auditor


So far as each of the Directors is aware, there is no relevant audit information (as defined in the Companies Act 2006) of which the Company's auditor is unaware, and each of the Directors has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information (as defined) and to establish that the Company's auditor is aware of that information. This confirmation is given and should be interpreted in accordance with the provisions of section 418(2) of the Companies Act 2006.

Auditor appointment

On 25 July 2024, Ernst & Young LLP resigned as auditors having reached the maximum period of service for an auditor of a Public Interest Entity under the mandatory auditor rotation requirements for another Life Company within the Group. In accordance with section 485 of the Companies Act 2006, KPMG LLP were appointed auditors to the Company for the year ended 31 December 2024, following a Group-wide selection process carried out in accordance with section 485B of the Companies Act 2006.

STANDARD LIFE PENSION FUNDS LIMITED

On behalf of the Board

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L Hayden-Carey
For and on behalf of Pearl Group Secretariat Services Limited
Company Secretary

15 September 2025

Statement of Directors' responsibilities

The Directors are responsible for preparing the Strategic report, the Directors' report and the financial statements ("the financial statements") in accordance with applicable United Kingdom law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law, including FRS 102 and FRS 103.

Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing the financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- Use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent auditor's report to the members of Standard Life Pension Funds Limited

Opinion

We have audited the financial statements of Standard Life Pension Funds Limited ("the Company") for the year ended 31 December 2024 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity, and related notes, including the accounting policies.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2024 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors as to the Company's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.
- Inspecting correspondence with regulators to identify instances or suspected instances of fraud.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because there is no management judgement or estimation involved in recording revenue.

We did not identify any additional fraud risks.

To address the pervasive risk relating to management override, we performed procedures including identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included, but were not limited to those posted to unusual accounts and journals impacting cash balances that were identified as unusual or unexpected in our risk assessment procedure.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with management (as required by auditing standards), and from inspection of the Company's regulatory and legal correspondence, and discussed with management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

The Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation, and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

This company is not subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006, we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 9, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Shozab Zaidi (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL

15 September 2025

STANDARD LIFE PENSION FUNDS LIMITED

Statement of comprehensive income

for the year ended 31 December 2024

	Notes	2024 £000	2023 £000
Long term business technical account			
Investment income	5	211	464
Unrealised gains on investments	5	-	6
Claims paid:			
Gross amount		-	(371)
Reinsurers' share		-	371
Claims paid, net of reinsurance		-	-
Change in long term business provision			
Gross amount		-	1,063
Reinsurers' share		-	(1,063)
Change in long term business provision net of reinsurance		-	-
Investment expenses and charges	5	(26)	-
Tax charge attributable to the long term business	8	(69)	(100)
Balance on long term business technical account		116	370
Non-technical account			
Balance on long term business technical account		116	370
Tax charge attributable to the balance on the long-term business		69	100
Balance on long term technical account before tax		185	470
Tax charge on ordinary activities	8	(69)	(100)
Profit for the year		116	370
Total comprehensive income for the year		116	370

The accompanying notes on pages 16 to 24 are an integral part of these financial statements

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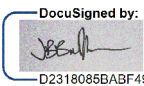
Statement of financial position

as at 31 December 2024

	Notes	2024 £000	2023 £000
ASSETS			
Investments			
Other financial investments	9	-	4,120
Other assets			
Cash at bank and in hand	12	-	2
Prepayments and accrued income			
Accrued income	13	-	18
Total assets		-	4,140
EQUITY AND LIABILITIES			
Capital and reserves			
Loan capital	14	50	50
Other reserves	15	(11,623)	(7,367)
Profit and loss account		11,573	11,457
Total capital and reserves		-	4,140
Total equity and liabilities		-	4,140

The accompanying notes on pages 16 to 24 are an integral part of these financial statements

On behalf of the Board

DocuSigned by:

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J Buffham
Director
15 September 2025

Company registration number SC046447

STANDARD LIFE PENSION FUNDS LIMITED

Statement of changes in equity

for the year ended 31 December 2024

	Loan capital (note 14) £000	Other reserves (note 15) £000	Retained earnings £000	Total £000
Balance at 1 January 2024	50	(7,367)	11,457	4,140
Total comprehensive income for the year	-	-	116	116
Part VII transfer of business (note 4)	-	(4,256)	-	(4,256)
Balance at 31 December 2024	50	(11,623)	11,573	-

	Loan Capital (note 14) £000	Other reserves (note 15) £000	Retained earnings £000	Total £000
Balance at 1 January 2023	50	-	11,087	11,137
Total comprehensive income for the year	-	-	370	370
Part VII transfer of business (note 4)	-	(7,367)	-	(7,367)
Balance at 31 December 2023	50	(7,367)	11,457	4,140

The accompanying notes on pages 16 to 24 are an integral part of these financial statements

STANDARD LIFE PENSION FUNDS LIMITED

Notes to the Financial Statements**1. Basis of preparation**

The Company is limited by guarantee of its members. Phoenix Life Limited ("PLL") is the sole member and its liability is limited to £1.

The financial statements for the year ended 31 December 2024, set out on pages 13 to 24 were authorised by the Board of Directors for issue on 11 September 2025.

The financial statements have been prepared on a historical cost basis except for those financial assets that have been measured at fair value.

Assets and liabilities are offset and the net amount reported in the Statement of financial position only when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liability simultaneously. Income and expenses are not offset in the Statement of comprehensive income unless required or permitted by a financial reporting standard or interpretation, as specifically disclosed in the accounting policies of the Company.

The financial statements are presented in sterling (£) rounded to the nearest thousand except where otherwise stated.

Going Concern

The Directors have considered the Part VII transfer and cancellation of its Part 4A permissions under the Financial Services and Markets Act 2000. The Company has ceased all regulatory activities for which it was authorised but continues to hold an active bank account. At the date of reporting there are no formal plans to wind up the Company.

The Directors believe the Company has adequate resources to continue in operational existence over the going concern period assessed for no less than 12 months from the date of approval of these financial statements.

Having carried out this assessment, the Directors consider it appropriate to adopt the going concern basis of accounting in preparing the financial statements. Further detail is provided within the Directors' report.

Statement of compliance

The financial statements have been prepared in accordance with Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") & Financial Reporting Standard 103 Insurance Contracts ("FRS 103") (together "UK GAAP") in conformity with the Companies Act 2006. The provisions of Schedule 3 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 relating to insurance companies also apply to the Company.

The Company is considered to be a qualifying entity under FRS 102 and has applied the exemptions available in respect of the following disclosures:

- Cashflow statement and related notes
- Key management personnel compensation
- Related party transactions between two or more wholly owned subsidiaries of Phoenix Group Holdings plc

2. Accounting Policies**a) Critical accounting estimates and judgements**

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Disclosures of judgements made by management in applying the Company's accounting policies include those that have the most significant effect on the amounts that are recognised in the Company's financial statements. Disclosures of estimates and associated assumptions include those that have a significant risk of resulting in a material change to the carrying value of assets and liabilities within the next year. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

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Critical accounting estimates are those which involve the most complex or subjective judgements or assessments. Details of all critical accounting estimates and judgements are included below.

Financial statement area	Critical accounting estimates and assumptions	Related notes
Business combinations under common control	In line with UK GAAP, the Company has recognised the loss on the transferred assets and liabilities, measured at the carrying value in the transferring company, within equity.	4

b) Income recognition

Investment income and expense

Investment income is comprised of dividend income and realised gains on financial assets at fair value through profit and loss. These are recognised in the Statement of comprehensive income as follows:

- Dividend income - on the date the right to receive payments is established, which in the case of listed securities is the ex-dividend date.
- Realised gains and losses at fair value through profit and loss – these are the difference between the net sale proceeds and the original cost.

Unrealised gains/losses

Unrealised gains and losses in respect of long term business are included in the long term business technical account.

Fair value gains and losses on financial assets designated at fair value through profit or loss are recognised as income or expense in the Statement of comprehensive income.

Unrealised gains and losses are the difference between the valuation at the period end and their valuation at the previous period end or purchase price, if acquired during the year.

c) Transfers of business

Where the Company participates in a transfer of insurance business scheme under Part VII of the Financial Services and Markets Act 2000 and the ultimate shareholders remain the same, the transaction constitutes a business combination as part of a Group reconstruction. On initial recognition, the transferred assets and liabilities are measured at the carrying value in the transferring company and the resulting gain or loss is included within equity.

d) Benefits, claims and expenses recognition

Gross benefits and claims

Claims on insurance contracts reflect the cost of all claims arising during the period. Claims payable on maturity are recognised when the claim becomes due for payment and claims payable on death are recognised on notification. Surrenders are accounted for at the earlier of the payment date or when the policy ceases to be included within insurance contract liabilities. Where claims are payable and the contract remains in force, the claim instalment is accounted for when due for payment. Claims payable include the costs of settlement.

Reinsurance claims

Reinsurance claims are recognised when the related gross insurance claim is recognised according to the terms of the relevant contract. Reinsured claims include variable monthly claim recoveries received under longevity swap arrangements.

e) Non-technical account allocation

Prior to the Part VII transfer, the Company contained only long-term business, with any other activities within the Group managed via separate entities. The Company managed its position primarily on a Solvency basis. As such there is no concept of a separate long-term insurance fund, with all assets having been presumed available to support the solvency position of the Company. All income and expenses have been attributed to the technical account.

f) Taxation

Income tax is recognised as income or an expense in the Statement of comprehensive income except to the extent that it relates to items recognised as other comprehensive income, in which case it is recognised in other comprehensive income.

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Current tax is the expected tax payable on the taxable income for the year, using tax rates and laws enacted or substantively enacted at the date of the Statement of financial position together with adjustments to tax payable in respect of previous years.

In preparing the financial statements, the Company has adopted International Tax Reform-Pillar Two Model Rules (Amendments to FRS 102) which includes amendments effective from 1 January 2023.

g) Dividends

Final dividends on ordinary shares are recognised as a liability and deducted from equity when they are approved by the Company's owners. Interim dividends are deducted from equity when they are paid. Dividends for the year that are approved after the reporting period are dealt with as an event after the reporting period.

h) Financial instruments

The Company has chosen to account for its financial instruments in accordance with FRS 102.11.2 (c) which applies the recognition and measurement provisions of IFRS 9 Financial Instruments (as adopted for use in the UK) with the disclosure requirements of FRS 102.11 and FRS 102.12.

Financial instruments cover a range of financial assets and liabilities, including other financial investments and cash at bank and in hand.

Recognition & de-recognition

Financial assets

Purchases and sales of financial assets are recognised on the trade date, which is the date that the Company commits to purchase or sell the asset.

The Company derecognises a financial asset (or part of a group of similar financial assets) where:

- The rights to receive cash flows from the asset have expired;
- The Company retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass-through' arrangement; or
- The Company has transferred its rights to receive cash flows from the asset and has either transferred substantially all the risks and rewards of the asset or has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Classification & measurement

Financial assets

Financial assets are classified into one of the following measurement categories: fair value through profit or loss ("FVTPL"), fair value through other comprehensive income ("FVOCI") and amortised cost. Classification is made based on the objectives of the Company's business model for managing its financial assets and the contractual cash flow characteristics of the instruments. Financial assets are initially recognised at cost, being the fair value of the consideration paid for the acquisition of the financial asset. All transaction costs directly attributable to the acquisition are also included in the cost of the financial asset, except for assets subsequently held at FVTPL where transaction costs are expensed.

Financial assets are measured at amortised cost where they have:

- Contractual terms that give rise to cash flows on specified dates, that represent solely payments of principal and interest on the principal amount outstanding; and
- Are held within a business model whose objective is achieved by holding to collect contractual cash flows.

Subsequent to initial recognition, these financial assets are carried at amortised cost, using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Unit trusts and other pooled investments are mandatorily classified and measured at FVTPL as they are managed and evaluated on a fair value basis. Net gains and losses, including interest and dividend income, are recognised in the Statement of comprehensive income.

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Company changes its business model for managing financial assets. Reclassifications are expected to occur infrequently.

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Impairment of financial assets

The Company assesses the expected credit losses ("ECL") associated with its financial assets carried at amortised cost. The measurement of credit impairment is based on an ECL model and considers whether there has been a significant increase in credit risk.

For those credit exposures for which credit risk has not increased significantly since initial recognition, the Company measures loss allowances at an amount equal to the total ECL resulting from default events that are possible within 12 months after the reporting date ("12-month ECL"). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, the Company measures and recognises an allowance at an amount equal to the ECL over the remaining life of the exposure, irrespective of the timing of the default ("Lifetime ECL"). If the financial asset becomes 'credit-impaired' (following significant financial difficulty of issuer/borrower, or a default/breach of a covenant), the Company will recognise a Lifetime ECL. ECLs are derived from unbiased and probability-weighted estimates of expected loss.

The loss allowance reduces the carrying value of the financial asset and is reassessed at each reporting date. ECLs, and subsequent remeasurements of the ECL, are recognised in the Statement of comprehensive income. For other receivables, the ECL rate is recalculated each reporting period with reference to the counterparties of each balance.

Fair value measurement

The fair value of financial instruments traded in active markets such as publicly traded securities and derivatives are based on quoted market prices at the period end. The quoted market price used for financial assets is the current bid price on the trade date.

For units in unit trusts and shares in open-ended investment companies, fair value is determined by reference to published bid-values. The fair value of receivables and floating rate and overnight deposits with credit institutions is their carrying value.

i) Cash at bank and in hand

Cash at bank and in hand includes cash in hand, deposits, money held at call and short notice with banks and any highly liquid investments with less than three months to maturity from the date of acquisition.

j) Classification of contracts

Contracts are classified as insurance contracts where the Company accepts significant insurance risk from the policyholder by agreeing to compensate the policyholder if a specified uncertain event adversely affects the policyholder.

Contracts with reinsurers are assessed to determine whether they contain significant insurance risk. Contracts that do not give rise to a significant transfer of insurance risk to the reinsurer are considered financial reinsurance and are accounted for and disclosed in a manner consistent with financial instruments.

k) Events after the reporting period

The financial statements are adjusted to reflect significant events that have a material effect on the financial results and that have occurred between the period end and the date when the financial statements are authorised for issue, provided they give evidence of conditions that existed at the period end. Events that are indicative of conditions that arise after the period end that do not result in an adjustment to the financial statements are disclosed.

3. New and amended accounting standards

The second periodic review of FRS 102 was completed in March 2024 and an updated version of the standard was issued in September 2024, with a principal effective date of 1 January 2026. The Periodic Review 2024 changes incorporate a new model of revenue recognition, a new model of lease accounting and various other incremental improvements and clarifications. The impact of such changes on the Company continues to be assessed and is not expected to be material.

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4. Part VII transfer of business

In October 2023, the terms of a scheme under Part VII of the Financial Services and Markets Act 2000 to transfer all of the assets and liabilities of the Company to PLL was approved by the Court of Session. The Part VII transfer was conducted with effect from 30 September 2023. With the exception of £4,140k of net assets (required to meet the ongoing Minimum Capital Requirement until de-authorisation) all assets and liabilities of the Company were transferred to PLL for nil consideration. In line with the Company's accounting policy, the net asset decrease for this business combination under common control was recognised directly in equity.

Following deauthorisation, on 14 November 2024, the remaining assets of £4,256k were transferred by the Company in accordance with the terms of the Part VII transfer to PLL for £nil consideration.

The following table presents the balances transferred from the Company to PLL.

	2024 £000	2023 £000
Assets		
Other financial investments	4,348	7,500
Reinsurer's share of technical provisions: Long-term business provision	-	4,968
Other debtors	-	(4)
Cash	2	-
Total Assets	4,350	12,464
Liabilities		
Technical Provisions: Long-term business provision	-	4,968
Other creditors including taxation and social security	69	129
Accruals and deferred income	25	-
Total Liabilities	94	5,097
Net assets transferred to PLL	4,256	7,367

5. Investment income and expense

	Technical Account	
	2024 £000	2023 £000
Dividend income	210	462
Realised gains on financial assets at fair value through profit and loss	1	2
Total investment income	211	464
<i>Unrealised gains/(losses) on investments:</i>		
Financial instruments	-	6
Net unrealised gains on investments	-	6
Investment expense and charges	(26)	-
Total investment return	185	470

6. Auditor's remuneration

	2024 £000	2023 £000
Audit of the Company's financial statements	38	47

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On 25 July 2024, Ernst & Young LLP resigned as auditor having reached the maximum period of service for an auditor of a Public Interest Entity under the mandatory auditor rotation requirements for another Life Company within the Group. KPMG LLP were appointed as external auditor to the Company for the year ended 31 December 2024 following a Group-wide selection process. Auditor's remuneration for services other than the statutory audit of the Company are not disclosed in the Company's financial statements since the consolidated financial statements of Phoenix Group Holdings plc, the Company's ultimate controlling party, are required to disclose fees in respect of non-audit services on a consolidated basis.

7. Employee costs

The Company has no employees. During the year administrative services were provided by Phoenix Group Management Services Limited ("PGMS"), a fellow group company. PLL bears the administrative expenses of the Company and is expected to bear any future administrative expenses.

8. Tax charge

Current year tax charge

	Technical account	
	2024	2023
	£000	£000
Current tax:		
UK Corporation tax	46	110
Adjustment in respect of prior years	23	(10)
Total current tax	69	100
Total tax charge	69	100
Attributable to:		
- owners	69	100
Total tax charge	69	100

Reconciliation of tax charge

	2024	2023
	£000	£000
Profit for the year before tax	185	470
Tax at standard UK rate of 25% (2023: 23.5%)	46	110
Adjustment in respect of prior years	23	(10)
Total tax charge	69	100

The Company has applied the disclosure exemptions available as the required equivalent tax disclosures are presented in the consolidated financial statements of the Group, in which the Company is included.

9. Investments: Other financial investments

	Cost		Current Value	
	2024	2023	2024	2023
	£000	£000	£000	£000
Fair value through profit and loss				
Unit trusts and other pooled investments	-	4,118	-	4,120
	-	4,118	-	4,120

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10. Financial assets and liabilities***Expected settlement dates***

	Amounts recoverable after 12 months		Amounts recoverable after 12 months	
	Total	2024	Total	2023
	£000	£000	£000	£000
Financial assets				
<i>Financial assets at fair value through profit or loss</i>				
Unit trusts and other pooled investments	-	-	4,120	-

Due to the nature of collective investment schemes there is no fixed term associated with these items.

Offsetting financial assets and financial liabilities

The Company has no financial assets and financial liabilities that have been offset in the Statement of financial position as at 31 December 2024 (2023: none).

11. Fair value**Determination of fair value and fair value hierarchy of financial instruments*****Level 1 financial instruments***

The fair value of financial instruments traded in active markets (such as exchange traded securities and derivatives) is based on quoted market prices at the period end provided by recognised pricing services. Market depth and bid-ask spreads are used to corroborate whether an active market exists for an instrument. Greater depth and narrower bid-ask spread indicates higher liquidity in the instrument and are classed as Level 1 inputs. For collective investment schemes, fair value is by reference to published bid prices.

The Company did not hold any financial assets at 31 December 2024. At 31 December 2023, the Company's financial assets measured at fair value comprised of collective investment schemes of £4,120k which were categorised under the fair value hierarchy as level 1.

The Company did not hold any financial liabilities at FVTPL at 31 December 2024 (2023: £nil).

Financial instrument valuation methodology**Pooled investments**

Financial instruments listed on a recognised exchange are valued using prices sourced from the primary exchange on which they are listed. These instruments are generally considered to be quoted in an active market and are therefore categorised as level 1 instruments within the fair value hierarchy.

12. Cash at bank and in hand

	2024 £000	2023 £000
Bank and cash balances	-	2
	-	2

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13. Other prepayments and accrued income

	2024 £000	2023 £000
Accrued income	-	18
	-	18

14. Loan capital

	2024 £000	2023 £000
Loan capital – due to related parties – parent	50	50
	50	50

Under FRS 102.22 *Liabilities and equity*, the loan capital provided by the parent undertaking meets the definition of equity. It is non-interest bearing, repayable only on liquidation and ranks after all other creditors.

15. Capital and reserves: Other reserves

	Restructuring Reserve £000	Total £000
At 1 January 2024	(7,367)	(7,367)
Part VII transfer	(4,256)	-
At 31 December 2024	(11,623)	(7,367)
At 1 January 2023	-	-
Part VII transfer	(7,367)	(7,367)
At 31 December 2023	(7,367)	(7,367)

Restructuring reserve

On 30 September 2023, £7,367k was transferred to PLL under a Scheme of Transfer pursuant to Part VII of the Financial Services and Markets Act 2000. Following merger accounting principles this reserve was created to reflect this balance in equity. Following deauthorisation, on 14 November 2024, the remaining assets of £4,256k were transferred by the Company in accordance with the terms of the Part VII transfer to PLL.

16. Risk and capital management

Following the Part VII transfer and deauthorisation, the Company has become inactive and is no longer expected to be exposed to any material financial risks. The subsequent deauthorisation of the Company led to the release of the requirement to hold levels of capital. Should any liabilities arise in future, the terms of the Part VII transfer are such that these will transfer to PLL.

17. Related party transactions

The Company has taken advantage of the exemption under FRS 102 Related Party Disclosures from disclosing transactions with other wholly owned subsidiary undertakings of the Phoenix plc group. The Company has no related parties that are not wholly owned subsidiary undertakings of the Phoenix plc group.

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18. Ultimate parent and ultimate controlling party

The Company's immediate parent is Phoenix Life Limited. The Company's ultimate parent and ultimate controlling party is Phoenix Group Holdings plc, a company incorporated in England and Wales. Copies of the Phoenix Group Holdings plc consolidated financial statements can be obtained from their company website, www.thephoenixgroup.com.