Helping people secure a life of possibilities
Phoenix Group is a purpose-led organisation that strives to be an uncompromising force for good in our society, while maximising value for our customers and investors. This means our purpose of helping people secure a life of possibilities is at the centre of our strategic priorities and is shaping how we do business at Phoenix Group.

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Supporting information
Phoenix Group 2021 Sustainability Report is part of our comprehensive reporting suite and is complemented by the following online resources:

Fast Read Summary ➔
A summary of the Sustainability Report, including key highlights and performance in 2021.

Annual Report and Accounts ➔
Find out more about Phoenix Group and how our sustainability strategy is embedded in our strategic priorities in our Annual Report and Accounts.

Climate Report ➔
Read our Climate Report which has been prepared in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).
A message from our CEO

We are embracing our purpose of helping people secure a life of possibilities and are committed to playing our part in building a sustainable future.

Andy Briggs
Group Chief Executive Officer

At Phoenix we are driven by our purpose of helping people secure a life of possibilities. As the UK’s largest long-term savings and retirement business, responsible for managing over £310 billion of assets on behalf of our 13 million customers, we have the size to make a real difference both to our customers and to society. That is why our sustainability strategy is focused on three key themes: investing in a sustainable future, engaging people in better financial futures, and building a leading responsible business.

Investing in a sustainable future
By integrating sustainability considerations into our investment decisions, we can invest in the future we all want. Our work to become a net zero business exemplifies our approach. Being at COP26 in Glasgow last year, brought home to me the central role that finance has in cutting emissions at the scale and pace needed to combat climate change. We are proud to have joined the race to net zero: committing that our investment portfolio will be net zero by 2050, with ambitious milestones in 2025 and 2030. I am personally responsible for our interim targets to ensure we make progress at the speed required.

We are pursuing these goals not just because it is the right thing to do for the planet, but because it’s the right thing to do to deliver long-term growth for our customers and shareholders. We believe that investing in line with the transition to a net zero carbon economy, and more broadly supporting economic and social development across all regions of the UK, will optimise returns and minimise risk for our customers – helping to create both the financial future they want, and the world they want to live in.

Engaging people in better financial futures
We know there is a significant pension savings gap in the UK and are therefore committed to engaging our customers to help close this. We are developing flexible products, increasing saving options by introducing sustainable fund ranges and where possible, making sustainable products the default. We have also developed guidance and tools that will help customers plan their financial futures.

Longer lives are a gift, but we recognise that there are significant challenges created by an ageing society. To help people realise the potential of longer lives and ensure that their longer lives, are better lives, we launched Phoenix Insights in November 2021. Phoenix Insights will use high impact research to generate ideas and greater public engagement with the implications of longer lives and drive action from across society.

Building a leading responsible business
It is essential that we are walking the walk ourselves – practising what we preach to drive higher industry standards and show that change can be achieved. We have committed to net zero emissions from our own operations by 2025 and made great progress during 2021, reducing our operational emission intensity by 34%. We are also engaging with our suppliers to halve our supply chain emissions by 2030. We know that we cannot have a leading business without investing in our people and culture which is why we are committed to making Phoenix Group the best place our colleagues have ever worked. We are making a difference by addressing pressing societal issues in the communities in which we are based across the UK and Europe through a dedicated community engagement programme and a strategic partnership with Samaritans.

Looking to the future
We have bold ambitions which are matched by stretching targets. I am delighted that we met almost all of the challenging targets we set ourselves in 2021, a collective achievement which was the result of the hard work and dedication of everyone at Phoenix. We have set further targets for 2022 and beyond as we continue to work to become an uncompromising force for good in our society. We will continue to invest in our capabilities, bringing the best people on board to build a market leading team who can turn our bold targets into action and deliver real change.

I look forward to working with all our stakeholders as we embrace our purpose of helping people secure a life of possibilities and play our part in building a sustainable future.

Andy Briggs
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Andy Briggs
Group Chief Executive Officer
Phoenix Group at a glance

We are the UK’s largest long-term savings and retirement business with c.13 million customers and over £310 billion assets under management.

Our purpose drives everything we do:

Helping people secure a life of possibilities.

Our vision

To grow a strong and sustainable business to help more people on their journey to and through retirement.

Underpinned by our values

Growth
We grow our business through finding new ways to develop our expertise and innovate.

Passion
We are passionate about understanding and acting on what’s important to our customers, colleagues and society.

Responsibility
We build trust by taking accountability and empowering others to do the right thing.

Courage
We’re ambitious in the challenges we solve and we always speak up.

Difference
We collaborate across boundaries and embrace difference to deliver the best customer and colleague outcomes.

Brought to life through our brands

Optimise
our in-force business

Enhance
our operating model and culture

Grow
our business to support both new and existing customers

Innovate
to provide our customers with better financial futures

Invest
in a sustainable future
2021 sustainability highlights

2025 and 2030 decarbonisation investments targets set on journey to net zero by 2050

£1.3bn in sustainable investments in shareholder funds

34% reduction in operational emission intensity (2021 versus 2020)

2021 sustainability highlights

Top employer for 10 years in a row

Think Tank launched focused on possibilities of longer lives

Phoenix Insights

Power of Pensions event brought together key figures across the industry to demonstrate the importance of collaboration in the race to net zero

1.5m customers on roadmap to transition to sustainable default pension fund in 2022

Over 2,650 colleague volunteering hours

84% of key suppliers engaged on climate change

1.5m customers

Over 2,650 colleague volunteering hours

84% of key suppliers engaged on climate change

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Over 2,650 colleague volunteering hours

84% of key suppliers engaged on climate change
Our sustainability strategy

We believe that Phoenix Group has a significant opportunity to make a difference in creating the sustainable future we all want. That is why we have set a comprehensive sustainability strategy which is fully aligned to our purpose of helping people secure a life of possibilities and addresses the issues impacting our industry such as the growing pension savings gap and climate change.

Our strategy has evolved during 2021 and we remain focused on delivering for our c.13 million customers and investing our £310 billion of assets under administration in a sustainable manner. We now have three areas of focus that enable us to more clearly communicate the impact we want to have and how we are delivering it.

Our strategy is underpinned by a rigorous approach to governance.

1. Investing in a sustainable future

As the UK’s largest long-term savings and retirement business we are responsible for managing over £310 billion of assets on behalf of our c.13 million customers. Our customers and shareholders trust us to reflect their priorities in how we invest. That means keeping their money safe and providing them with strong long-term financial returns, while using our scale to play our part in delivering a secure and sustainable future. That is why we are integrating environmental, social and governance issues into our investment decision making process. By investing sustainably we can help to deliver the future that we all want.

Find out more about how we are embedding sustainability into our governance here page 57 →

Read more page 15 →

2. Engaging people in better financial futures

We want to help our customers secure a life of possibilities by providing the right guidance and products, at the right time, to support the right decisions. We are committed to meeting our customers’ needs through innovative product offerings and fund solutions, and engaging them in their financial futures by providing the right education, tools and guidance that promote financial inclusion for all. We recognise that there are a number of barriers that need to be overcome to help close the pension savings gap. We therefore want to drive a national conversation on better longer lives through Phoenix Insights and are advocating for the societal change that will achieve this.

Read more page 27 →

3. Building a leading responsible business

We are committed to embedding sustainable best practice as the foundation that enables us to achieve our purpose of helping people secure a life of possibilities. It is important that we adopt the highest sustainability standards across our business; and lead by example for the stakeholders we engage with to drive real world change and deliver positive impact. We are doing this by investing in our people and culture, reducing the environmental impact of our own operations, building a sustainable supply chain and making a positive and lasting difference within the local communities where we operate.

Read more page 38 →
2021 targets and achievements

In 2021 we made great progress delivering against the targets we set out in our 2020 Sustainability Report. The table below sets out some of our achievements during an outstanding year.

<table>
<thead>
<tr>
<th>Our focus areas</th>
<th>Our priorities</th>
<th>2021 Target</th>
<th>Met</th>
<th>Achievement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investing in a sustainable future</td>
<td>Integrating sustainability considerations into investment decision making</td>
<td>• 75% coverage of ESG data analytics of listed equity and credit where we exercise influence and control.</td>
<td>✔</td>
<td>We now have 87% coverage of ESG data analytics covering listed equity and credit which enables us to track portfolio sustainability.</td>
</tr>
<tr>
<td></td>
<td>Investing responsibly</td>
<td>• 60% of illiquid asset originations (excluding ERM) in sustainable investments in the shareholder portfolio.</td>
<td>✔</td>
<td>We invested £1.3 billion in sustainable assets, representing 67% of illiquid assets originated.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Disclose Group stewardship framework.</td>
<td>✔</td>
<td>Blank</td>
</tr>
<tr>
<td></td>
<td>Tracking our decarbonisation goals</td>
<td>• Baseline emissions and set carbon reduction pathways for equities and liquid credit where we exercise influence and control.</td>
<td>✔</td>
<td>We have set ambitious interim net zero targets for 2025 and 2030, baselined our emissions and set reduction pathways.</td>
</tr>
<tr>
<td></td>
<td>Engaging to drive system change</td>
<td>• No 2021 target set.</td>
<td>✔</td>
<td>We played a leading role at COP26, working with sector peers to highlight the important role of private finance.</td>
</tr>
<tr>
<td></td>
<td>Empowering better financial decision making</td>
<td>• Launch at least three initiatives to improve financial understanding and engagement.</td>
<td>✔</td>
<td>We launched MoneyMindset, Homebuyer Hub and Voice Your Investment View.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Launch digital literacy initiative to improve customers’ confidence to embrace digital options.</td>
<td>✔</td>
<td>We launched a digital literacy initiative, Digital Essentials.</td>
</tr>
<tr>
<td></td>
<td>Enhancing our fund and product offering</td>
<td>• Review responsible investment content of workplace default solutions (Active Plus and Passive Plus).</td>
<td>✔</td>
<td>We reviewed our default funds and developed a roadmap to transition 1.5 million customers and over £15 billion of assets into a sustainable default in 2022.</td>
</tr>
<tr>
<td></td>
<td>Creating a national conversation</td>
<td>• No 2021 target set.</td>
<td>✔</td>
<td>Blank</td>
</tr>
<tr>
<td></td>
<td>Advocating for change</td>
<td>• No 2021 target set.</td>
<td>✔</td>
<td>We, with the support of Employer round table members, launched the Menopause and Employment Taskforce report which strives for a comprehensive change around menopause and a fulfilling employment.</td>
</tr>
<tr>
<td></td>
<td>Investing in our people and culture</td>
<td>• 75 out of 10 average colleague engagement score.</td>
<td>✔</td>
<td>Achieved our 7.5 engagement score and rolled out a continuous listening tool across the business, helping us to react to the moments that matter to our colleagues.</td>
</tr>
<tr>
<td></td>
<td>Reducing the environmental impact of our operations</td>
<td>• 20% reduction (2021 versus 2020) in scope 1 and 2 emission intensity from occupied premises per full-time employee.</td>
<td>✔</td>
<td>34% reduction (2021 versus 2020 target) in scope 1 and 2 emission intensity from occupied premises per full-time employee.</td>
</tr>
<tr>
<td></td>
<td>Building a sustainable supply chain</td>
<td>• At least 75% of key suppliers engaged on climate change.</td>
<td>✔</td>
<td>We engaged 84% of key suppliers on climate change.</td>
</tr>
<tr>
<td></td>
<td>Supporting our communities</td>
<td>• At least 40% of colleagues involved in community engagement programmes.</td>
<td>✔</td>
<td>35% of our colleagues participated in community engagement programmes. This was lower due to COVID-19 restrictions.</td>
</tr>
</tbody>
</table>
Board reflections

In conversation with Andy Briggs and Karen Green

We sat down with our Group CEO, Andy Briggs, and Chair of the Board Sustainability Committee, Karen Green, to reflect on another strong year for Phoenix in addressing sustainability issues.

Karen: With around 75% of adults in the UK either very or somewhat worried about the impact of climate change, we know that it is of concern to our customers. We have an important role to play in addressing this concern, whilst ensuring that we protect their investment returns. We also know our customers don’t always make the connection between their concerns for our planet and the impact of their pension in this regard. We want to change this and hope that by highlighting the impact their investments can have, this will result in our customers taking a more active role in their savings and financial futures.

Q: What does climate action mean for our customers?

Karen: The launch of Phoenix Insights in November 2021 was a really significant moment for the Group. Our new centre for research, ideas and public engagement aims to catalyse the change and innovation necessary across society to enable us all to live better longer lives.

Andy: We have significantly increased our stakeholder engagement across the industry to drive change. As a major asset owner, we have the ability to help set the direction of the entire financial ecosystem. We set out our expectations to all our asset management partners that cross-sector collaboration will be required to achieve success.

Q: What do you see as Phoenix’s greatest achievements this year?

Andy: The risks and opportunities presented by climate change are central to shaping our strategy. I saw first-hand the scale and urgency of response required to tackle climate change at COP26 and I am committed to working with partners to achieve changes in the real economy to meet our net zero goal. We and many others have set ambitious targets – it is now critical that we move beyond pledges to tangible action. We have made a commitment to invest over £10 billion in sustainable investments over the next five years. We want to collaborate with business, financial institutions, governments and other key stakeholders to help create the policy and market conditions required to allow investment to flow at scale.

Q: Phoenix accelerated action on climate in 2021, what’s next?

Andy: We believe that we need to move quickly to reform regulatory and policy regimes to enable capital to flow into net zero and sustainable solutions. We strongly support the proposal to reform Solvency II regulation to enable more private-sector capital to be directed by insurers into long-term infrastructure assets in the UK. We will work with the Treasury and PRA in the coming months to finalise and implement the reforms so they can enable us to increase our investments across the UK to support and accelerate the decarbonisation and levelling-up agendas.

Karen: Throughout 2021, the COVID-19 pandemic continued to present challenges to our business and the UK as a whole. I have been hugely impressed by our colleagues’ continued resilience and dedication in these testing circumstances. We have implemented successfully a range of agile working approaches as a result of the pandemic that have transformed our colleagues perceptions around ways of working.

Q: What has been the biggest challenge Phoenix has faced on its sustainability journey so far?

Karen: One area which we are particularly passionate about is finding ways to tackle the disparity in guidance across the UK. Nine out of ten people make important financial decisions without the help they deserve, making it more difficult for our customers to plan their financial future. That is why we have developed a campaign that we will run throughout 2022 to raise awareness of the issue with the general public, our industry, the government and the regulator to ensure that urgent action is taken to address this growing crisis.

Q: What will Phoenix focus on next to achieve further meaningful sustainable impact?

Karen: Find out more about how we are embedding sustainability into our Governance here →
Climate change: our decarbonisation journey

Why climate change matters to Phoenix

At Phoenix tackling climate change and delivering net zero is central to our strategy. Not just because it is the right thing to do – but because it’s essential if we are to provide our customers and shareholders with strong long-term financial returns.

Delivering net zero emissions is required because our investment portfolios are exposed to climate-related risks. We endeavour to mitigate these risks by ensuring our investment portfolio is aligned with the net zero transition.

And equally importantly, delivering net zero presents us with huge opportunities. By identifying and investing in the right opportunities, Phoenix Group can enhance its value to both investors and customers while doing the right thing for the future of the planet.

£2.7 trillion of investment will be required over the next 15 years to meet the UK’s net zero commitment. The insurance industry has the potential to finance a third of this investment.1

With over £310 billion in assets, our race to zero matters

We are playing our part in the fight against climate change, and ensuring we generate value for both our customers and investors. During 2021 we have accelerated the action we are taking to get to net zero.

Our ambition is to be a net-zero business by 2050
We are proud to have joined the race to net zero, and have set robust and ambitious interim net zero targets. We are committed to achieving net zero in our investment portfolio by 2050. However we recognise the urgent need for action now, and have strengthened our commitment further.

By 2025 we will reduce the carbon intensity of our listed equity and credit assets by 25% where we exercise influence and control

By 2030 we will cut the carbon intensity of all assets where we can exercise influence and control by at least 50%

We are leading by example through the decarbonisation of our own operations and our supply chain. We have committed to make our operations net zero by 2025, and to work with our supply chain to halve emissions by 2030.

We estimate that by meeting our 2030 investment target, we could deliver carbon reductions equivalent to the emissions generated by three months of UK electricity production.

Our climate action model

We have developed a climate action model, which will be the framework we use to develop and deliver our Net Zero Transition Plan which will be published later in 2022. Our climate strategy is based on three priorities:

Invest
Investing for the future, by decarbonising our existing portfolio, effective stewardship of our assets, and investing in climate solutions.

See page 9 for our approach →

Lead
Leading by example through decarbonisation of our own operations and our supply chain.

Engage
Engaging to multiply our impact, by engaging with our customers and suppliers to cut their carbon footprint, and working collaboratively with partners to deliver cross-sector change and thought leadership.

These priorities are anchored by the strength of our governance and risk management frameworks, scenario analysis and the ongoing investment in our people capabilities, climate data and technology platforms. We are committed to setting clear targets and transparently reporting on our progress.

For full details of our climate action model see page 4 of our 2021 Climate Report →

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Our approach to investing for the future

Later this year, we will set out and publish our Net Zero Transition Plan – providing a clear pathway outlining how we will deliver on our climate action model and pivot our investment portfolio, operations, supply chain and entire business model to meet our targets. For this report we have provided a high level overview of the investing for the future pillar of the plan, which is set out below.

### 2019 baseline emissions
- Carbon footprint to be measured from 2022
- ~15 million tonnes CO₂ e

### 2021
- Decarbonise investment portfolio
  - Measured 2019 carbon footprint of the listed equity and credit portfolio
  - Piloted listed equity and credit strategies with asset managers
  - Effective stewardship
  - Defined and established stewardship framework

### 2022
- Full investment portfolio: deliver net zero emissions
- Develop classification framework and identify preferred sectors
- Invest at least £10 billion over five years into sustainable assets (subject to market conditions)

### 2023-2025
- Listed equity and credit portfolio: deliver 25% reduction in emissions
- Broaden scope of carbon footprint measurement
- Apply exclusions policy where appropriate
- Engage with investee companies/asset managers

### 2025
- Net Zero Ambition
  - Listed equities and credit
  - ~£160 billion
  - By 2025, we will cut the carbon footprint of our listed equity and credit portfolio by 25%

### 2025-2030
- Full investment portfolio: deliver 50% reduction in emissions
- Implement net zero investment plan for full portfolio
- Monitor delivery and set up new three-year engagement programme
- Consider selective divestment for under-performers

### 2030
- By 2030, we will cut the carbon footprint of all the assets where we exercise control and influence by at least 50%
- Listed equities and credit
- Other assets under control and influence – illustrative

### 2030-2050
- By 2050, we will achieve net zero emissions across all assets under administration
- Other assets – illustrative

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1. Where Phoenix can exercise control and influence
A remarkable year for climate action

The Power of Pensions: Accelerating action towards net zero

Collaboration across our industry is at the heart of our journey to net zero. To demonstrate the importance of collaboration we used our unique position as one of the UK’s largest asset owners to bring together key figures from across the industry to illustrate the power of pensions in accelerating action towards net zero.

Our virtual event reached over 300 industry figures and built real momentum in the run up to the COP26 summit. It identified tangible actions for our industry and governments, including the need for reform to Solvency II regulations that would enable the billions of pounds of investment required for the transition to a low carbon economy to flow at scale.

“Phoenix Group’s pledge to halve their carbon this decade brilliantly sets the high mark for other pension providers. Their pledge proves just how powerful our pensions can be.”

Richard Curtis
Co-founder of Make My Money Matter

On the ground at COP26

COP26 was a pivotal moment in the race to keep 1.5°C alive and brought the world together to seek solutions to tackle climate change. It was therefore essential that we were on the ground in Glasgow engaging with COP26 leaders and other CEOs, collaborating and sharing our insights on the vital role the finance industry can play in tackling those challenges and supporting and protecting our customers in the transition to net zero.

As a member of the Glasgow Financial Alliance for Net Zero (GFANZ), we were pleased to see the collective commitment made by the over 450 GFANZ members, that up to $130 trillion of funding could be available to finance the transition to net zero.

We welcome the call for companies to publish clear transition plans and look forward to working with GFANZ to realise this ambition.

We were delighted to be a strategic partner of the Green Horizon Summit @COP26. The event was the ‘go to’ finance event at COP26, bringing together over 200 senior speakers from across the globe to discuss how we can mobilise private capital towards a climate-resilient, nature-positive economy.

Watch the Green Horizon Summit @COP26 on demand here →

Below (right and left): Phoenix CEO, Andy Briggs at COP26 speaking alongside David Schwimmer, CEO, London Stock Exchange Group; Greg Case, CEO, Aon (on screen); Alison Rose, CEO, NatWest Group, Jose Vinals, Chair, Standard Chartered Bank, Larry Fink, Co-founder, Chairman and CEO, BlackRock and Alderman William Russell, The Rt Hon the Lord Mayor, City of London Corporation.

Phoenix Group’s pledge to halve their carbon this decade brilliantly sets the high mark for other pension providers. Their pledge proves just how powerful our pensions can be.”

Richard Curtis
Co-founder of Make My Money Matter

Watch our event on demand here →
Better longer lives: Phoenix Insights launch

People are living for longer. But longer lives are not yet always better lives. We want to change this. Phoenix Insights is a new think tank set up to transform the way society responds to the possibilities of longer lives.

We will use research to lead fresh debate, prompt a national conversation, and inspire the action needed to make better longer lives a reality for all of us.

Much of how we structure and organise society is just not suited to support people with 80, 90 or 100 year-long lives, and the gap in healthy life expectancy between rich and poor is growing. In previous generations, the traditional path of life followed a relatively simple pattern of education first, then on to working and perhaps raising a family, and ending in retirement. But as we live for longer, how long we work for, the jobs we do, how and when we learn and acquire new skills, and how and when we care for others, needs to change.

We need employers and public policy to help us navigate these more complex, flexible lives. But although the future has always been uncertain, the burden of that uncertainty is now more than ever on the individual. With the disappearance of defined benefit pensions, people rather than governments and corporations are expected to take the lead in securing their future.

What’s more, lower home ownership among younger generations means they will not benefit from the safety net of rising house prices, which has helped many of those nearing retirement today.

And we continue to lag behind other countries in our investment in adult skills and learning to support people to reskill and retrain throughout their lives.

Reforms in recent years – such as pension auto-enrolment, banning the default retirement age, the right to request flexible work and the promise of a cap on high social care costs – are worthwhile measures. But they do not yet go far enough.

If we are to help people lead better, fulfilling longer lives, there is an urgent need for radical reconsideration of how we learn, earn and live.

We need to fundamentally reimagine society for longer lives. This is why we launched Phoenix Insights in November 2021.

Phoenix Insights will be a cornerstone in our commitment to delivering on our purpose, to help people secure a life of possibilities. The research centre will use high impact research to drive forward ideas and greater public engagement with the implications of longer lives, seeking to both inform, debate and to catalyse new action across society, not just from government or industry or civil society, but from everyone. The centre will utilise the subject matter expertise from our advisory committee to set our strategy and inform our research.

We want to help people take new decisions to shape their lives differently, whether that be about money, work, health and caring or the place they live. We will go beyond the usual confines of policy debate to create a national conversation.

My hope for Phoenix Insights is that we inspire people across Britain to reimagine how we work, save, learn and live, so that we can truly make the most of longer lives.”

Catherine Foot, Director of Phoenix Insights
Collective action

At Phoenix we are using our insight and knowledge, to lead the debate around key societal challenges, working with government, non-governmental organisations and across our industry and the economy, to develop methodologies and the policy change required to unlock barriers and define best practice. We do this through partnerships, memberships and as signatories to strategic industry initiatives.

Collective action on climate change

We need a step change in action, to transform economies to embed sustainability into every financial decision and combat the climate crisis. Decarbonising investment portfolios and financing climate solutions at scale is going to require new approaches to investment, government policy and financial regulation.

Institutional Investor Group on Climate Change (IIGCC)
We are members of the IIGCC, a collaborative body supporting investors on their decarbonisation journey. We are represented on its Net Zero Stewardship working group which helps to integrate climate change considerations in engagement and voting practices by institutional investors.

The Net-Zero Asset Owners Alliance (NZAOA)
The NZAOA is a collaborative community of institutional investors, representing $10.4 trillion assets under management, who have joined forces to overcome the challenges and complexities in transitioning investment portfolios to net zero. We have contributed to the NZAOA working group looking at the strategy for net zero implementation. Through this membership, we are supportive of the Race to Zero campaign.

Glasgow Financial Alliance for Net Zero (GFANZ)
Phoenix is a member of GFANZ and during COP26 it was announced that over $130 trillion of private capital from members is committed to transforming the economy for net zero.

Make My Money Matter (MMMM)
At Phoenix we passionately believe that everyone should have a pension they can be proud of. That’s why we were delighted to announce our partnership with Make My Money Matter and have pledged to support their campaign to build a better future.

Climate Action 100+
Phoenix is a signatory to this investor initiative which works to ensure the world’s largest greenhouse gas emitters take necessary action to reduce the effects of climate change. Through this initiative we are collaborating with other asset owners and asset managers, to create best practice stewardship approaches to hold companies to account, and conducting coordinated engagement to increase the power of our influence.

Partnership for Carbon Accounting Financials (PCAF)
We recognise that for the UK insurance industry to play its part in meeting decarbonisation objectives, it is necessary to develop ways to appropriately measure the carbon emissions we are directly (through our own operations) and indirectly (through our investments) responsible for. Phoenix was the largest and the first from the UK insurance industry to join and we are working with PCAF to define and adopt a common approach to carbon footprint and measurement.

Science Based Targets initiative (SBTi)
SBTi defines and promotes best practice in science-based target setting for achieving the goals of the Paris Agreement. We are using the SBTi framework to set, assess and certify the delivery of our ambition to pursue a 1.5°C aligned emissions reduction target. We will seek SBTi validation for net zero carbon.

Taskforce on Climate related Financial Disclosures (TCFD)
TCFD aims to ensure consistent and transparent reporting of climate related financial information. This framework is being embedded within Phoenix to allow us to effectively manage the impact of climate related financial risks and opportunities for our organisation.

Read our Climate Report report here →
Other collective action

Taskforce on Nature-related Financial Disclosures (TNFD)
We have joined the Taskforce on Nature-related Financial Disclosures (‘TNFD’) forum. As TNFD forum members, we will collaborate with others to develop our understanding of nature-related risks as it relates to financial services. This will help us to develop a robust framework through which we can identify nature-related risks and opportunities to incorporate into our strategic planning, risk management and investment decision making process.

UN-supported Principles for Responsible Investment (PRI)
We have been signatories of the PRI since 2020 demonstrating Phoenix’s commitment to integrating ESG into investment decision making and active ownership. We are also members of the PRI Advisory Committee on Social Issues and Human Rights.

Sustainable Markets Initiative (SMI)
Phoenix is proud to be a member of the Sustainable Markets Initiative Insurance Taskforce. The aim of this group is to drive progress and accelerate the pace of industry transition towards a more resilient and sustainable future, putting nature, people and planet at the heart of global value creation.

Get Nature Positive Campaign
Phoenix supports the Get Nature Positive Campaign, led by the Council for Sustainable Business. The campaign calls on businesses to start the journey to achieve nature positivity by 2030, and maps out ten ‘Actions for Nature’ to drive forward activity.

Building a leading responsible business

We are committed to aligning our responsible business strategy to the highest standards:

Business in the Community (‘BITC’)
BITC is committed to empowering employers to advance equality of opportunity for ethnically diverse employees. We are a signatory of their ‘Race at Work Charter,’ which includes seven calls to action for organisations.

Top Employer Institute
We’re proud to confirm that Phoenix Group has once again been officially recognised by the Top Employers Institute, as a UK Top Employer for the tenth consecutive year.

The UK Government’s Prompt Payment Code
Paying suppliers or partners promptly and within the agreed payment terms is not only an ethical responsibility but economically beneficial for all parties and the wider economy.

The Vision for Literacy Business Pledge
As part of our work to improve literacy and numeracy skills we are ongoing supporters of this pledge which calls on UK businesses to join the national literacy campaign to help close the nation’s literacy gap and boost social mobility.

Social Mobility Index
We are proud to have been placed at number 41 in our first entry to the index. This becomes our baseline as we work to improve our score in the coming years through piloting specific internship programmes that support future skills and diversity as well as the expansion of our business graduate scheme.

Living Wage Employer
We are a fully accredited Living Wage Employer and are committed to extending payment of the real Living Wage to those contracted through our supply chain alongside all colleagues employed by Phoenix.

Supporting the UN Sustainable Development Goals

The 2030 agenda for sustainable development, adopted by all United Nations member states in 2015, provides a plan of action for people, planet and prosperity with 17 UN Sustainable Development Goals (‘SDGs’) at its heart. This framework provides priority areas to tackle the most significant challenges faced by the world today. We have identified 11 priority goals where we have an opportunity to make a difference:

- Quality education
- Responsible consumption and production
- Gender equality
- Climate Action
- Decent work and economic growth
- Life below water
- Industry, innovation and infrastructure
- Life on land
- Reduced inequalities
- Partnerships for the goals
- Sustainable cities and communities

We have used icons throughout the report to demonstrate where we are aligning activity to these goals.

See the UN framework here →
Looking ahead to 2022

As we continue to accelerate action on our sustainability strategy we have set further commitments for 2022. We believe these targets will enable Phoenix to demonstrate that we are fulfilling our purpose and working towards becoming an uncompromising force for good in our society.

1 Subject to regulatory and market conditions.
2 Excluding equity release mortgages.

1 Investing in a sustainable future

<table>
<thead>
<tr>
<th>Our priorities</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Integrating sustainability considerations into investment decision making</td>
<td>• Data gathering framework and tracking established for listed equity and credit where we exercise influence and control.</td>
</tr>
<tr>
<td>Investing responsibly</td>
<td>• Alignment to the UK Stewardship Code in readiness for certification in 2023. • 60% origination of Sustainable Investments (illiquid assets within our shareholder portfolio).</td>
</tr>
<tr>
<td>Tracking our decarbonisation goals</td>
<td>• Develop and submit for validation emission reduction targets in line with the SBTi financial sector guidance.</td>
</tr>
<tr>
<td>Engaging to drive system change</td>
<td>• Working with partners to increase ambition, transparency, and tackle barriers to net zero investment.</td>
</tr>
</tbody>
</table>

2 Engaging people in better financial futures

<table>
<thead>
<tr>
<th>Our priorities</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Empowering better financial decision making</td>
<td>• Launch financial inclusion strategy, focused on a specific underserved customer group, providing targeted support to empower better financial decisions. • One million Phoenix Group customers are directly offered the chance to review our Digital Literacy materials and/or initiatives in 2022.</td>
</tr>
<tr>
<td>Enhancing our fund and product offering</td>
<td>• Transfer £15 billion AUM and 1.5 million customers invested in the Active Plus and Passive Plus workplace default solutions to our new sustainable default.</td>
</tr>
<tr>
<td>Creating a national conversation</td>
<td>• Launch a programme of public engagement on longer lives. Launch Longer Lives Index.</td>
</tr>
<tr>
<td>Advocating for change</td>
<td>• Launch guidance gap campaign.</td>
</tr>
</tbody>
</table>

3 Building a leading responsible business

<table>
<thead>
<tr>
<th>Our priorities</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investing in our people and culture</td>
<td>• 78 out of 10 average colleague engagement score.</td>
</tr>
<tr>
<td>Reducing the environmental impact of our operations</td>
<td>• 20% reduction (2022 versus 2021 target) in scope 1 and 2 emission intensity from occupied premises per full time employee.</td>
</tr>
<tr>
<td>Building a sustainable supply chain</td>
<td>• 75% key suppliers commit to SBTi or Race to Zero.</td>
</tr>
<tr>
<td>Supporting our communities</td>
<td>• 40% of colleagues actively involved in supporting community engagement activity (Group-wide).</td>
</tr>
</tbody>
</table>
Investing in a sustainable future

Integrating sustainability considerations into investment decision making  
Investing responsibly  
Tracking our decarbonisation goals  
Engaging to drive system change
Investing in a sustainable future

As the UK’s largest long-term savings and retirement business we are responsible for managing over £310 billion of assets on behalf of our 13 million customers. Our customers and shareholders trust us to reflect their priorities in how we invest. That means keeping their money safe and providing them with strong long-term financial returns, while using our scale to play our part in delivering a secure and sustainable future.

That is why we are integrating consideration of environmental, social and governance issues into our investment decision making process.

By investing sustainably we can help to deliver the future that we all want.

Issues influencing our strategy

Climate change

£2.7 trillion
investment will be required over the next 15 years to meet the UK's emission reduction goals.

Regional development and levelling up

£4.8 billion
UK government has launched a £4.8bn levelling up fund for infrastructure investment.

Nature and biodiversity loss

1 million
animal and plant species are now threatened with extinction.

Human rights

40.3 million
people worldwide are in modern slavery.

2 www.gov.uk/government/publications/levelling-up-fund-first-round-successful-bidders
4 www.unseenuk.org/about-modern-slavery/facts-and-figures/
**Investing in a sustainable future at a glance**

The table below outlines our delivery against our 2021 targets and sets out our targets for 2022 and long-term ambitions.

<table>
<thead>
<tr>
<th>Our priorities</th>
<th>2021 achievements</th>
<th>2022 targets</th>
<th>Long-term ambitions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Integrating sustainability considerations into investment decision making</strong></td>
<td>87% coverage of ESG data analytics[^1] For our equities and liquid credit portfolio where we exercise control and influence. This includes ESG ratings, carbon emissions as well as other sustainability data points.</td>
<td>Data gathering framework and tracking established for listed equity and credit where we exercise influence and control.</td>
<td>Key material ESG issues are fully incorporated within the investment decision making process and investment mandates, including both known and emerging issues.</td>
</tr>
<tr>
<td><strong>Investing responsibly</strong></td>
<td>Published our Group Stewardship framework</td>
<td>Alignment with the UK Stewardship Code in readiness for full certification in 2023.</td>
<td>More than 50% of the investee companies we have engaged with are progressing against the engagement objectives set.</td>
</tr>
<tr>
<td></td>
<td>We invested £1.3 billion in sustainable assets[^2] representing 67% of illiquid assets originated for the shareholder portfolio.</td>
<td>60% origination of Sustainable Investments[^3] (illiquid assets within our shareholder portfolio). Invest £250 million into Climate Solutions for the Policyholder assets.</td>
<td>At least £10 billion[^3] invested over five years into sustainable assets.</td>
</tr>
<tr>
<td><strong>Tracking our decarbonisation goals</strong></td>
<td>We have set ambitious interim net zero targets for 2025 and 2030 and baselined our emissions and set reduction pathways.</td>
<td>Develop and submit for validation emission reduction targets in line with the SBTi financial sector guidance. Develop transition plan to deliver net zero targets.</td>
<td>Investment portfolio to achieve decarbonisation trajectory consistent with interim targets.</td>
</tr>
<tr>
<td><strong>Engaging to drive system change</strong></td>
<td>Played a leading role at COP26 working with sector peers to ensure highlight the important role of private finance.</td>
<td>Working with partners to increase ambition, transparency, and tackle barriers to net zero investment.</td>
<td>Phoenix Group leading engagement with investors, government and broader society in delivering the net zero transition and other key ESG issues.</td>
</tr>
</tbody>
</table>

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[^1]: Data assured by EY. See page 68 for EY assurance statement
[^2]: Subject to regulatory and market conditions.
[^3]: Excluding equity release mortgages.

**SDG contribution**

Our investment activity is supporting the delivery of the following sustainable development goals:

- Industry, innovation and infrastructure
- Sustainable cities and communities
- Climate action
- Life below water
- Life on land
- Partnerships for the goals
Integrating sustainability considerations into investment decision making

Over the course of 2021, we have continued to review and enhance how we integrate sustainability considerations into our investment decision making processes. This includes identifying key issues where we can make a difference. By ensuring that our investment decisions integrate sustainability considerations, we keep our customers’ money safe, provide them with strong long-term financial returns, and use our scale to play our part in delivering a secure and sustainable future.

Climate change
Climate change represents the biggest investment opportunity of our time – as well as the biggest challenge. We have put addressing climate change at the heart of our investment strategy and are committed to transitioning our investment portfolio to net zero by 2050, as well as hitting ambitious targets to cut emissions in the next decade. This will support investment in the growing sectors of the future, and protect our customers and shareholders from the financial risks of climate change.

Regional development and levelling up
We want to play a leading role in supporting the UK government’s plans to bolster regional development and levelling up across the country. We have been pro-actively engaging with local and regional stakeholders across the UK in order to invest in illiquid and sustainable assets to support this. Going forward we will continue to seek opportunities to support these goals by increasing our investment in infrastructure projects such as, social housing, education and healthcare.

Nature and biodiversity loss
Nature is being degraded at an unprecedented rate and scale, with human activity significantly accelerating this change. We recognise that protecting and restoring the planet’s natural resources is an economic and environmental imperative, which presents both an exciting investment opportunity and a complex risk to manage. Through our involvement in the TNFD, Get Nature Positive Campaign, and the Deforestation Free Finance Initiative Working Group, we are committed to integrating nature into our investment decision making process.

Human rights
As an active asset owner, we recognise the need to strengthen our focus on human rights and align our practices with the United Nations Guiding Principles on Business and Human Rights (UNGPs). In 2022, we will develop a Phoenix Group Human Rights policy which will inform our approach as employer, procurer and investor. As part of our stewardship and investment process, we will be active in investor collaborative engagements and will analyse our data needs to monitor more closely investee companies’ performance.

Identifying issues where our investments can make a difference
As part of integrating sustainability considerations into our investment decision making we want to carefully select the key issues where we want to make a difference, and have set clear ambitious objectives for each.
Integrating sustainability considerations into investment decision making continued

Collaborating with our asset management partners

As one of the UK’s largest asset owners we are using our unique position to convene the industry, foster collaboration and integrate sustainability into the investment eco-system.

We are collaborating closely with our asset management partners to integrate ESG considerations into the investment processes. We are also embedding market leading data analytics and capability internally to support us in this process. We now have ESG data analytics covering 87% of our equities and liquid credit portfolio where we exercise control and influence. This includes ESG ratings, carbon emissions as well as other sustainability data points.

During 2022, we will continue to develop this by establishing a data gathering framework and tracking for listed equity and credit where we exercise influence and control. This will enable us to manage the financially material risks and engage for change where we identify deficiencies. Over time we will ensure both known and emerging material ESG issues are fully incorporated within the investment decision making process and investment mandates.

Risk management

We are continuing to strengthen our approach to the identification, assessment, management, monitoring and reporting of climate-related risks. We classify climate risk as a principal risk and reflect it as a ‘cross cutting risk’ that impacts all aspects of the risk universe of our Risk Management Framework.

In 2021, we undertook a quantitative assessment of the financial climate change risks impacting Phoenix’s business. This assessment built on the activity undertaken by the Group in relation to the Bank of England’s Climate Biennial Exploratory Scenario (CBES) exercise. This activity has confirmed that the Group is most exposed to transition risk compared to physical risk – meaning that we can only deliver for our customers and shareholders by transitioning our portfolio to a net zero pathway.

The Group has completed the work to fully embed material climate-related risks into all Group Risk Policies and supporting processes such as minimum control standards. From 2022 onwards, the annual risk policy review will consider climate and other risks to ensure our policies reflect new developments and remain in line with best practice. As a principal risk, climate risk is monitored and reported internally and externally. Our risk reporting has been enhanced and a new suite of climate risk metrics have been agreed by the Board to support our net zero ambitions and provide ongoing monitoring of exposure to climate risk.

2021 Climate Report

Our 2021 Climate Report has been prepared in line with the Task Force on Climate-related Financial Disclosure (‘TCFD’) recommendations and includes an impact assessment of climate change against the seven risk areas and our risk management approach.

Using our position to drive change

As an asset owner we have a unique role to play and the ability to drive change through the investment ecosystem. With this in mind we wrote an open letter to our investment partners, which outlined our expectations and set out our net zero and sustainability commitments. This included the actions we expect on ESG integration, climate change and alignment with the TCFD recommendations. Furthermore we set out our need to engage in active stewardship through exercising voting rights and engaging companies on their ESG credentials.

Read our open letter here

We now have 87% coverage of ESG data analytics of equities and liquid credit where we exercise control and influence.
At Phoenix we are committed to investing responsibly and are doing this in three ways:

1. **Portfolio design**
   We are redesigning our portfolios in line with our sustainability goals, while maintaining the broad risk and return profile.

2. **Stewardship**
   We have the potential to drive real world impact on key issues such as climate change and human rights through the active ownership of our investments.

3. **Investment opportunities**
   We are committed to putting our long-term money to work today to build a better future for all our stakeholders through increasing our investment in sustainable assets.

**Portfolio design**

During 2021, we conducted a comprehensive review of our investment strategy, exploring methodologies to reach our net zero emission targets. We conducted pilot analysis in conjunction with selected asset management partners on integration of our decarbonisation objectives within equity portfolios.

Our objectives when designing decarbonising portfolios are to reduce carbon emission intensity consistent with our decarbonisation targets, focus on real world change and supporting companies who are transitioning, while maintaining the broad risk and return profile of our investment portfolios. We are assessing possible ways for inclusion of forward looking considerations into the investment process and ability to adopt some of the guidance from the European Union benchmark regulation. Against the backdrop of evolving standards, methodologies, and new ESG/climate indices, we are committed to ensuring that our approach reflects current best practice and that these objectives are in the best interest of our customers.

The emission reduction trajectories of our investment strategy will be reviewed regularly and we will report on progress towards both net zero and our interim targets. We will define our preferred approach and roll-out throughout 2022, starting with our equity portfolios.
Stewardship

Active stewardship is critical to the delivery of our ambitions, and to meet our commitments on net zero and beyond. As a large asset owner, we recognise our stewardship responsibilities and adopt an ‘engagement first’ approach with the objective of using our position of influence to bring about corporate change. This is why we have committed to become signatories to the UK Stewardship Code in 2023.

In 2021, we have adopted a Group Stewardship Policy that details our stewardship approach. We believe this ambitious policy raises expectations for stewardship within the industry by:

- Defining effective stewardship as a two-way dialogue between investors and companies allows us and our asset management partners to share feedback, provide best practice examples, define objectives and assess progress by companies over time. We have made clear that raising ESG questions in meetings with companies is not enough to categorise an interaction as an engagement.
- Setting our expectations of our asset management partners to undertake outcome oriented engagements with companies on ESG issues on our behalf and vote our shares accordingly.
- Creating the opportunity for Phoenix to undertake engagement activities through multiple channels: in collaboration with peers, directly and through our asset management partners.
- Establishing escalation strategies that both we and our asset management partners are open to undertake in case of lack of progress by companies.

Read our Group Stewardship Policy here →

We will continue to strengthen and evolve our stewardship activity throughout 2022 and beyond. We have identified three main areas of focus:

1. **Climate change** – engaging with top emitting companies representing the largest holdings across sectors to support their transition to a low carbon economy.
2. **Human rights** – participating in the PRI Social Issues and Human Rights Advisory Committee to shape a new collaborative engagement and joint efforts with peers to address the most salient human right issues in key sectors and geographies.
3. **UN Global Compact Principles** – engaging with companies at the centre of material controversies in the areas of human rights, labour, environment and anti-bribery and corruption.

In addition to these key priority topics, we will keep monitoring and contributing to our asset management partners’ stewardship activities which will cover additional themes such as biodiversity loss, nutrition, remuneration, inclusion and diversity, board effectiveness and other emerging material ESG risks and opportunities.

Exclusions policy

Where engagement is impossible or does not lead to change we are committed to excluding assets that do not align with our sustainability strategy. We have defined our exclusion policy in 2021 as part of integrating ESG considerations into the investment decision-making process. We have started implementation across our shareholder portfolio. Exclusion thresholds have been defined as:

- **Thermal coal**
- **Oil sands**
- **Arctic drilling**
- **Controversial weapons excluding nuclear**
- **Tobacco producers**

Implementation across our shareholder portfolio to date has seen us sell over £540 million of assets. We will look to develop our approach to exclusions as our thinking on sustainability-related issues develops. Throughout 2022 we will be implementing this strategy across our policyholder assets.

Read the exclusions policy here →

1 where over 20% of revenues
Investing responsibly continued

Stewardship in action

Our asset management partners are at the forefront of engaging with companies in our portfolios. Examples of where our asset managers have put stewardship into action on our behalf in 2021 include:

Asset manager partner: LGIM
Invested Company: ExxonMobil Corporation
Issue: Environmental – Climate change transition

In 2020 LGIM announced that they were opposing the re-election of the company’s chair/CEO as a separation of roles would provide a better balance of authority and responsibility. In 2021, due to persistent concerns around governance, climate and capital allocation, LGIM escalated their engagement by publicly supporting an activist investor who proposed an alternative slate of directors with stronger expertise on climate change. At the AGM, three of the four proposed new directors have been appointed.

Engagement: Following an unprecedented shareholder meeting, they continued to challenge the company on its insufficient emissions reduction targets and carbon-related strategy. The company has since set more ambitious operational emissions reduction goals, increased capital allocation towards lower emissions projects and defined a more stringent approach regarding methane emissions mitigation. While this is a step in the right direction, there are some material gaps in Exxon’s transition plan, namely the omission of scope 3 emissions from its reduction targets and the absence of alignment with credible net zero scenarios – issues LGIM will continue engaging with the company on to ensure best practice is acknowledged and adhered to.

Asset manager partner: BlackRock
Invested Company: Rio Tinto
Issue: Governance – Remuneration

In 2020, the company’s expansion of an iron ore mine resulted in the destruction of a 46,000-year-old sacred site in Western Australia at Juukan Gorge. This site is of significant cultural and historical importance, including to the First Nations of Australia and Traditional Owners the Puutu Kunti Kurrama and Pinikura peoples (PKKP).

Engagement: As a result of the controversy, three senior executives resigned, including CEO Jean-Sebastien Jacques. Mr Jacques received total remuneration under his exit package of £7.2 million in 2020 and may receive sizable payments over the next few years as well. Given the reputational harm done by the destruction of the site and the resulting environmental and social damage, for which Jacques is held partially responsible, BlackRock did not consider it appropriate to support the company’s executive compensation and voted against its remuneration report in 2021.

Asset manager partner: Invesco
Invested Company: Coca Cola
Issue: Environmental – plastic waste

Coca Cola targets 20% less virgin plastic by 2025 and 50% recycled content in its packages by 2030. However, these goals are less ambitious than its peers. In addition, the company has not disclosed short-term targets for carbon emissions reduction and its longer-term decarbonisation projects appear vague.

Engagement: Invesco presented Coca Cola with peer data and showed how its targets are weaker than from other consumer companies. Coca Cola voiced confidence in meeting its circular economy targets, owing to its extensive work with suppliers and acknowledged the need for short-term carbon reduction targets which would be included in its next sustainability report. Invesco will monitor future disclosures and will continue the dialogue with the company.

Asset manager partner: abrdn
Invested Company: Morrisons
Issue: Governance – Remuneration

abrdn previously engaged with Morrisons ahead of its 2020 AGM to explain the rationale of their vote against the company’s remuneration policy as they could not identify a credible plan to bring executive pensions in line with those of the wider workforce by 2022. In spite of this, there were further pay related issues in 2021 as the remuneration committee decided to adjust targets retrospectively to remove the costs associated with COVID-19. Additionally, during 2021, Morrisons was subject to a drawn out takeover battle between two US private equity led bidders.

Engagement: Consequently, abrdn voted against the remuneration report, as well as the financial report due to insufficient board gender diversity. Upon engaging in further dialogue with the company, they were encouraged to learn that the gender diversity imbalance is a priority for the board to address. abrdn also met with the chair to get clarity on the bidding process and expressed concerns about stakeholder interests, particularly employees and pension security. The board was comfortable that the intention lists from the potential bidders were sufficiently robust and protected employees and their pensions. As such, abrdn gained comfort that the board was on top of these matters.

Asset manager partner: Janus Henderson
Invested Company: Johnson & Johnson
Issue: Social – FDA finding on Talc and Opioid disclosure

Johnson & Johnson has faced numerous lawsuits over allegations regarding asbestos content in the company’s talc-based body powders and the company’s contribution to the opioid crisis.

Engagement: As part of a group investor call, Janus Henderson met with the Lead Independent Director and corporate governance lead to understand the impact and materiality of these compliance issues. Johnson & Johnson explained that third party testing carried out on the company’s behalf did not find asbestos in multiple strains suggesting potential contamination of the talc samples tested by the Food and Drug Administration. On the opioids controversy, Johnson & Johnson has greatly increased its level of reporting and consequently produced an integrated company report on the oversight, governance and risk management framework which has been put in place. This report has been made available to investors on the company’s website.
Investing responsibly continued

Investment opportunities

We are committed to including sustainability considerations within the investment decision making process and aim to increase our investment in sustainable assets within our shareholder and policyholder portfolio. To support this activity we have developed a comprehensive framework that we use to classify sustainable investment in illiquid assets. This includes themes such as: renewable energy, energy efficiency, clean transportation, green buildings, (environmental framework); affordable housing, affordable basic infrastructure/services, access to essential services (social framework).

Our investment focus is on the following areas:

Low carbon projects
We are committed to investing in the low carbon projects and technologies, which will enable net zero to be delivered, and offer real growth potential as the low carbon transition accelerates. The opportunity is huge: it is estimated that around £2.7 trillion of investment will be required over the next 15 years to meet the UK’s emission reduction goals, and that the insurance sector has the potential to fund a third of this investment.1

Regional development
We are expanding our investment across all regions of the UK and aim to support the government’s objective to bolster regional development. Through our investment in social housing, infrastructure and services, such as healthcare and education, we aim to support levelling up across the UK.

Climate solutions
‘Climate solutions’ are investments in economic activities that contribute substantially to climate change mitigation. These are solutions that reduce greenhouse gases by avoiding emissions and/or by sequestering carbon dioxide already in the atmosphere, or investments in climate change adaptation that contributes to enhancing adaptive capacity, strengthens resilience and reduces vulnerability to climate change.4

In 2021, we invested £1.3 billion in sustainable assets, exceeding our target of at least 60% of our illiquid asset origination to be in sustainable investments.

Our investment commitments
We are committed to continuing to increase the volumes of investment into sustainable assets and have set three targets:

<table>
<thead>
<tr>
<th>Target</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>60%</td>
<td>£250m</td>
</tr>
<tr>
<td>£10bn</td>
<td>£10bn</td>
</tr>
</tbody>
</table>

2. Illiquid assets within our shareholder portfolio (excluding ERM)
3. Subject to regulatory and market conditions.
We are putting our long-term money to work today to build a better future for all of our stakeholders.

**Affordable housing**

Supporting 16 housing associations in the UK and Europe who own/manage >190,000 homes for some of society’s most vulnerable people.

*Example:* Sustainability linked financing for Barcud Cyf, a non-profit Welsh Housing Association, to build an extra 1,000 sustainable, low carbon homes by 2025 in the mid-Wales region.

£542m

**Positive environmental impact**

Supporting a range of modern, renewable energy production projects across the UK, helping the government deliver on its net zero ambitions.

*Example:* Refinancing of community owned solar assets that generate carbon neutral electricity and deliver annual profit-sharing initiatives for local communities.

£220m

**Healthcare and education**

Supporting communities to provide access to care homes, healthcare and university facilities in the UK, US and Europe.

*Example:* Supporting Impact Healthcare REIT plc’s acquisition of 35 care homes providing 2,000 beds for the UK’s elderly population.

£364m

**Other sustainable investment**

Invested assets include sustainability-linked loans, green bonds and charitable lending.

*Example:* Financing the Mercers’ Company’s development of a new archive building that incorporates several publicly accessible spaces, including an education suite.

£168m

We made £1.3 billion investments in sustainable assets in 2021.
We are measuring the carbon footprint of our investment portfolio and are aligning our portfolio to decarbonisation pathways in line with global temperature goals.

Setting robust targets
We are committed to reducing the greenhouse gas emissions of our investment portfolio to net zero by 2050, in line with the commitment of the UK government and the goals of the Paris Agreement.

Pathways
We recognise that to deliver our targets we need to achieve decarbonisation across all the sectors in which we are invested. Different sectors will follow different pathways, and we will use a range of inputs – in particular those of the International Energy Agency (IEA) and Intergovernmental Panel on Climate Change (IPCC) – to assess how we can most effectively support investees in different sectors to decarbonise. We will develop and submit for validation emission reduction targets in line with the SBTi financial sector guidance in 2022. In addition, we will publish a comprehensive low carbon transition plan to lay out the actions we will take to meet our ambitious decarbonisation goals.

Recognising that urgent action is required now, we strengthened our commitment in 2021 and announced ambitious interim targets.

- By 2025
  - 25% reduction in the carbon emission intensity of our investments
- By 2030
  - At least 50% reduction in the carbon emission intensity of our investments
- By 2050
  - Net zero investment portfolio

We estimate that by meeting our 2030 target, we could deliver carbon reductions equivalent to the emissions generated by three months of UK electricity production.

Measuring our carbon footprint
In 2021, we focused on accurate measurement of the carbon footprint of our shareholder and policyholder assets covering listed equity and credit. These investments total £160 billion assets under administration, and are the focus for our 2025 target of reducing emissions by 25% against 2019 levels.

To establish targets, 2019 has been used as a base year following the Net-Zero Asset Owners Alliance’s guidelines. Using a pre COVID-19 period better reflects companies’ level of emissions.

Over time, we will broaden the scope of assets brought into the 2019 baseline as data and methods for accounting for portfolio emissions develop. In 2022, our plan is to evaluate and capture the emissions of our sovereign debt and real estate portfolios.

In 2019, the emissions associated with our listed assets were 15m tCO₂e – equivalent to 3.3% of total UK emissions.

Our 2019 financed emissions baseline:

<table>
<thead>
<tr>
<th></th>
<th>Investment portfolio weight %</th>
<th>Emission data coverage %</th>
<th>Absolute emissions tCO₂e</th>
<th>2019 baseline</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Investment portfolio weight %</td>
<td>Emission data coverage %</td>
<td>Absolute emissions tCO₂e</td>
<td>2019 baseline</td>
</tr>
<tr>
<td>Listed assets</td>
<td>56.0</td>
<td>86.6</td>
<td>15,019,733</td>
<td>100.0</td>
</tr>
<tr>
<td>Equity</td>
<td>34.6</td>
<td>92.0</td>
<td>10,411,041</td>
<td>69.3</td>
</tr>
<tr>
<td>Credit</td>
<td>21.4</td>
<td>77.8</td>
<td>4,608,691</td>
<td>30.7</td>
</tr>
<tr>
<td>Other assets</td>
<td>44.0</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
</tbody>
</table>

1. This will cover all listed equity and credit where Phoenix Group can exercise control and influence (circa £160 billion).
2. This will cover all assets at a Group level where Phoenix can exercise control and influence (circa £250 billion).
^ Data assured by EY. See page 68 for EY assurance statement.
Engaging to drive system change

At Phoenix we are using our insight and knowledge to lead the debate around key challenges: working with government, non-governmental organisations and across our industry and the economy to remove the barriers to net zero investment and define best practice.

The need for collaborative action
We need a step change in action, to transform economies to embed sustainability into every financial decision and combat the climate crisis. Decarbonising investment portfolios and financing climate solutions at scale is going to require new approaches to investment, government policy and financial regulation. And if we are to deliver real world impact, we need the whole sector to act at a scale and pace commensurate with the urgency of the challenge.

COP26

The Power of Pensions: Accelerating action towards net zero
Our virtual event, hosted pre-COP26 reached over 300 industry figures and built real momentum in the run up to the COP26 summit. It identified tangible actions for our industry and governments, including the need for reform to Solvency II regulations that would enable the billions of pounds investment required for the transition to a low carbon economy to flow at scale.

See our link to the event here —

Green Horizon Summit
We were delighted to be a strategic partner of the Green Horizon Summit @COP26. The event was the ‘go to’ finance event at COP26, bringing together over 200 senior speakers from across the globe to discuss how we can mobilise private capital towards a climate-resilient, nature-positive economy.

See our link to the event here —

In 2021, we participated in a wide range of sectoral initiatives, including:

Make My Money Matter (MMMM) — we announced our partnership with Make My Money Matter and pledged to support their campaign to build a better future and ensure everyone has a pension they can be proud of.

Institutional Investor Group on Climate Change (IIGCC) — we are members of the Net Zero Stewardship working group to integrate climate change considerations in engagement and voting practices by institutional investors.

Climate Action 100+ — we are collaborating with other asset owners and asset managers, to create best practice stewardship approaches to hold companies to account, and conducting coordinated engagement to increase the power of our influence.

The Net-Zero Asset Owners Alliance (NZAOA) — we have contributed to the NZAOA working group looking at the strategy for net zero implementation. Through this membership we are supportive of the Race to Zero campaign.

Glasgow Financial Alliance for Net Zero (GFANZ) — we are a member of the Glasgow Financial Alliance for Net Zero. GFANZ announced during COP26 that $130 trillion of funding from members is available to meet net zero.

In 2022, we will be developing our thought leadership strategy — focusing on the areas where we can add most value in identifying and addressing barriers to investment, and ensuring we are enabling change not just in Phoenix but across the sector.

ABI climate change roadmap

In his role as the chair of the Association of British Insurers Board Climate Change Committee, Phoenix Group’s CEO Andy Briggs played a leading role in the development of the ABI Climate Change Roadmap. This was created in collaboration with ten leading organisations and sets out the role the UK’s insurance and long-term savings industry can play in addressing climate change.

The roadmap highlighted how as a sector we can provide one third of the investment needed to meet the UK’s climate change goals. To achieve this we require ambitious new targets, investment innovation and a revolution in green products and services. The roadmap is believed to be the most demanding and far-reaching carbon reduction plan of any insurance and long-term savings sector in the world.

See our ABI climate change roadmap here —
Engaging people in better financial futures

Empowering better financial decision making  30
Enhancing our fund and product offering  32
Creating a national conversation:
Phoenix Insights  34
Advocating for change  36
Engaging people in better financial futures

We want to help our customers secure a life of possibilities by providing the right guidance and products, at the right time, to support the right decisions. We are committed to meeting our customers’ needs through innovative product offerings and fund solutions, and engaging them in their financial futures by providing the right education, tools and guidance that promote financial inclusion for all.

We recognise that there are a number of barriers that need to be overcome to help close the pension savings gap. We therefore want to drive a national conversation on better longer lives through Phoenix Insights and are advocating for the societal change that will achieve this.

Issues influencing our strategy

**Pension savings gap**

£250,000

The average deficit of pension pots for people approaching retirement age to deliver their desired retirement income

1 https://www.smf.co.uk/pensions-guidance-gap-fuels-132bn-savings-shortfall/

**Gender pension gap**

1/5

The average pension portfolio size of a woman compared to a man at age 65


**An ageing society**

24%

of the UK population set to be over 65 in 2043 up from 18% in 2018

3 https://commonslibrary.parliament.uk/research-briefings/cbp-9239/#:~:text=The%20UK%27s%20ageing%20population&text=Around%20one%20in%20five%20of%20the%20population%20will%20be%20over%2065%20in%202043%20.&text=The%20proportion%20of%20the%20population%20from%20202%20%20to%204%20%25
Engaging people in better financial futures at a glance

The table below outlines our delivery against our 2021 targets and sets out our targets for 2022 and long-term ambitions.

<table>
<thead>
<tr>
<th>Theme</th>
<th>2021 achievements</th>
<th>2022 targets</th>
<th>Long-term ambitions</th>
</tr>
</thead>
</table>
| **Empowering better financial decision making** | - Launched three initiatives to improve financial understanding and engagement^ Money Mindset, Homebuyer Hub and Voice your Investment View.  
- Launched digital literacy initiative^ to improve customers' confidence to embrace digital options. | - Launch financial inclusion strategy focussed on a specific underserved customer group, providing targeted support to empower better financial decisions.  
- Directly offer one million customers the chance to review our Digital Literacy materials and/or initiatives in 2022. | - We will measure the impact of our actions and set future goals for:  
  - Number of customers offered, engaged with and benefited from our financial inclusion programmes.  
  - Number of customers offered, engaged with and positively impacted by our digital literacy programmes. |
| **Enhancing our fund and product offering** | - We reviewed the responsible investment content of our workplace default solutions Active Plus and Passive Plus. | - Transfer £15 billion assets under administration and 1.5 million customers invested in the Active Plus and Passive Plus workplace default solutions to our new sustainable default. | - We will measure and set future goals for the number of customers offered and within ESG funds.  
- Continue to evolve our product offering to recognise the changing needs of society. |
| **Creating a national conversation** | - Phoenix Insights launched a new think tank set up to transform the way society responds to the possibilities of longer lives. | - Launch Longer Lives Index and a programme of public engagement on longer lives. | - Phoenix Insights recognised as changing people’s perceptions of living longer lives. |
| **Advocating for change** | - Launched Menopause and Employment Taskforce which is striving for a comprehensive change around menopause and a fulfilling employment. | - Launch guidance gap campaign to highlight the need for rich quality help, guidance and support to be available to everyone. | - Recognised champion driving policy and market change that enables people to have better longer lives. |

^ Data assured by EY, see page 68 for EY assurance statement
Empowering better financial decision making

We recognise that there is a range of understanding and confidence that our customers have when planning their financial future, which means different levels of support are required. This is particularly important for customers with lower digital literacy skills and vulnerable customers.

That’s why we are innovating to find new ways of supporting our customers to plan their financial futures and contribute to the closure of the UK’s growing pension savings gap.

Financial wellness

Financial wellness is a state whereby our customers feel secure and in control of their finances. We want to empower them so they can confidently manage daily expenditure and unexpected costs whilst remaining on track for a life of possibilities.

To support customers to make good decisions about their financial futures we launched three initiatives during 2021 aimed at fostering innovation and creating better customer outcomes by improving their financial understanding.

First to launch was Money Mindset, a platform that uses open finance capability to provide a single view of the user’s financial world. It provides customers with visibility of their short, medium and long-term financial position whilst empowering them to better manage their finances and helping them feel both supported and empowered.

In the UK many people are buying their first property later in life and research has shown that this is putting increasing financial pressure on young people. That is why we launched our second initiative, Homebuyer Hub. Homebuyer Hub is a coaching platform to support our workplace customers get on the property ladder for the first time. It provides information and tools to help users form a plan, making the process of buying their first home less daunting.

Our third initiative to launch was Voice Your Investment View, an online platform that provides customers with transparency over the companies they are invested in via their pension, with the opportunity to voice their opinions to fund managers on upcoming shareholder votes. We have partnered with impact-focused fintech Tumelo to provide this offer.

Throughout 2022 we will continue to increase the number of customers with access to these tools, as well as introducing new initiatives to provide our customers with a focused suite of solutions to help them manage their finances and save for the future.

Financial inclusion

One of our key commitments is the development of Phoenix Group’s Financial Inclusion strategy, which focuses on empowering better financial decision making and overall financial wellness through the use of research, awareness raising, education, enabling tools and collaboration.

As a key component of our financial inclusion strategy, we want to identify a specific underserved or disadvantaged customer group, and then launch a Group-wide initiative that will support customers, exemplify our purpose, and enable us to have significant social impact. The strategy will be based on research, as well as input from stakeholders across the Group and will be launched in 2022. We aim to leverage our scale to make a tangible impact for the target segment through collaboration with strategic partners; and will be able to use the lessons learnt to further develop our support to all our customers.

You don’t get taught (about pensions) in school, I went to college, I went to university and the knowledge that you need to get by isn’t given.”

Standard Life Customer (age 18-35)
Empowering better financial decision making continued

Helping our colleagues better support our vulnerable customers

Our external research and customer insight in 2021 concluded that a third of our customers had experienced one or more negative life event in the previous six months such as bereavement, job loss or relationship breakdown. Moreover, one in ten were found to be suffering from health-related matters that impacted on their day-to-day activities.

We have focused on utilising innovative behavioural science design to enhance our vulnerable customer training and equip colleagues with additional knowledge, autonomy and the tools to exceed our customer expectations and deliver fair outcomes. Highlights include launching a new e-learning module, ‘A helping hand for vulnerable customers’ across the Group. This provides education sessions on financial and economic abuse and change of gender procedures to our Vulnerable Customer Champions, and piloting training with our charity partner Samaritans.

Digital adoption and engagement

Throughout 2021, we have continued to see a significant increase in digital adoption and engagement across the Group, with a 16% increase in customer logins and 250,000 new customer registrations across our Standard Life platforms. We are committed to continuous enhancement across all of our online journeys and digital platforms to ensure we provide the best possible customer experience and encourage digital adoption. In recognising our ambition to engage more customers digitally, and the reality that we are living in a world that is ever more digitally focused, we realise that digital can be a barrier for some who find it difficult to access, navigate and understand. Therefore, as we develop our digital offering we want to ensure that consideration is given to the needs of those customers who find it difficult to engage digitally by delivering digital solutions that are easily accessible and engaging for all customers including those with vulnerabilities.

Improving digital literacy

This year we explored how we can help customers with lower digital literacy skills to build their knowledge and confidence in an increasingly self-serve, digital society. We conducted rich and insightful research to better understand the processes, motivations and relationships that surround people in the digital literacy context.

We discovered that, at its core, digital literacy is about feeling safe. In order to feel safe using digital, people need to understand what these technologies are and how they work. The cornerstone is safety, then knowledge.

Following our research, we have piloted a series of guidance materials in multiple formats and distribution channels. These materials give customers access to the kind of foundational knowledge they need to feel more at home in the digital world. Crucially, these resources are not specific to Phoenix products. This is because a person’s digital skills are more profoundly cultivated when they can apply them in contexts that hold personal meaning for them.

Looking ahead to 2022, we’ll be building on and scaling these efforts to provide our customers with shared spaces offering learning and support; shaped directly by their continuous feedback as we evolve in this space.

See the first part of the Digital Essentials resources here ➔

In 2022 we will offer over one million Phoenix Group customers the chance to review our Digital Literacy materials and/or initiatives

“ I found it so exhausting, upsetting, confusing and actually embarrassing to feel this nervous and afraid of using digital…so unsafe and unsure when others seemed to have no problems.”

Customer (age 60-70)
Enhancing our fund and product offering

Engaging customers on the impact of their savings

Our customers trust us to reflect their priorities in how we invest. They want Phoenix to keep their money safe and provide them with strong long-term financial returns. Increasingly they also want their money to play its part in delivering a sustainable future. We also believe that showing customers the impact of their savings is an exciting opportunity to engage them in their pension and investment, and encourage them to save more, while having a positive impact.

85% of respondents expect Standard Life to consider how responsible all their investments are not just those labelled as responsible or ESG

74% agree that a company’s management of its ESG behaviour will affect its future financial performance and 70% believe responsibly invested funds will outperform other funds in the long term

Standard Life Responsible Investment Survey, November 2020

Delivering sustainability by default

In 2020 we launched our Standard Life Sustainable Multi-Asset Solution which has been well received in 2021. Throughout 2021 we have continued to evolve our solution, while employing the same blend of ESG approaches. These approaches are three fold: firstly screening out companies that pose a significant financial material risk; alongside targeting material sustainability improvements by tilting the portfolio; and seeking to drive positive change through stewardship. Currently, 64% of the assets held within the Standard Life Sustainable Multi-Asset Solution are within funds that are specifically designed to meet a range of environmental, social and governance standards and we expect this to increase to 82% during 2022.

As the vast majority of our customers keep their money in a default pension option, we are reviewing the default funds we offer to our customers to deliver sustainability by default. We have already made the default fund for any new non-bespoke workplace pension scheme our Sustainable Multi-Asset default. We are committed to transition significant numbers of customers who are currently in non-ESG Standard Life defaults into this sustainable fund solution, without them or their employers having to take action. We expect to transition £15 billion of assets and 1.5 million customers into our Sustainable Multi-Asset default during 2022.

Increasing ESG fund optionality

In response to our customers increasingly looking to invest in ways that align to their own values, we have widened the range of sustainable self-select options we offer to Standard Life customers, from 16 funds to 23. Throughout 2022 we will continue to expand the number of funds available to customers across the Group.

Sustainable Multi-Asset Default

Avoiding the bad

Excludes companies with a significant sustainability risk

Improving the good

Lifts the sustainability profile of the portfolio by tilting towards positive ESG outcomes

Driving change for the better

Using engagement and proxy voting to drive positive change

Screening

• Controversial weapons (including nuclear)
• Tobacco production and distribution
• Thermal coal and unconventional oil and gas
• UN Global compact violators and ESG Controversies

Positive tilts

• 50% reduction in carbon emissions
• 50% increase in revenue percentage from clean technologies
• 10-20% improvement in ESG score

Extensive stewardship and voting

• Engagement and proxy voting
• 20+ central ESG stewardship team
• 30+ investment team ESG specialists

By the end of 2022 we aim to transition £15 billion of assets and 1.5 million customers into our Sustainable Multi-Asset default.
Developing flexible retirement products

We’re passionate about giving people flexibility and choice when it comes to their retirement finances, which is why we have launched a range of Lifetime Mortgage products under Standard Life Home Finance. This new range will enable advisers to help over-55 homeowners to unlock the assets they have built up in their property, without the need to move home. The products are Defaqto 5 Star rated and include both lump sum and drawdown. They’ll be provided by Key Group – experts in later life lending – and will use their platforms.

The money people have invested in their property can be an important aspect of their financial planning, and alongside pensions savings, this new Lifetime Mortgage range will be a key part of people’s financial toolkit later in life.

Broadening our savings range

In February 2022, we announced plans to broaden our workplace savings proposition by offering access to a wide range of savings and investment options in partnership with Cushon. The partnership will provide our workplace pension scheme employers the option to offer their employees access to savings options from Individual Savings Account (ISA) and Lifetime ISA (LISA) to Junior ISA (JISA) and a General Investment Account (GIA).

Reflecting our commitment to invest responsibly, customers will be offered a range of ready made portfolios as well as over 1,000 individual funds from 90 fund managers, with ESG options to choose from. Customers will be able to view these products alongside their pension, allowing them one single holistic view of their savings to support them in making more informed decisions about their finances.
Creating a national conversation: Phoenix Insights

People are living for longer. But longer lives are not yet always better lives. We want to change this. Phoenix Insights was launched in November 2021. It is a new think tank set up to transform the way society responds to the possibilities of longer lives.

Our ambition is to take the opportunities that longevity presents to the forefront of public debate and the political and economic agenda.

We believe that now is the time to embed action to support longer lives across social and economic policy and business practice, putting it at the heart of decision-making.

We can and must shift our society away from one stuck in twentieth-century structures and ways of living, to one that truly embraces and makes the most of our longer lives.

Areas of focus

We will take a whole person approach to the interconnected issues that enable a healthy and fulfilling long life. The core of our work will look at financial security, work, and learning and skills, but we will also look at health and care, and homes and communities. Reimagining longer lives means making changes in all these areas. Some of our work will focus on the experiences of specific groups who face significant challenges. We also want to ensure that the ideas and solutions we advocate for contribute to a sustainable future for people and the planet. At the heart of all our work, we are committed to reducing inequalities and building a society that enables all of us, not just the fortunate few, to live better longer lives.

Part of Phoenix Group

Phoenix Insights, ability to contribute is backed by being part of Phoenix Group. As the UK’s largest long-term savings and retirement business, Phoenix Group is committed to responding proactively to Phoenix Insights recommendations as an employer, to better support its over 8,000 colleagues as they age, as an investor with over £310 billion of assets under administration, and through its products and services to its c.13 million customers.

Together, Phoenix Insights and Phoenix Group will help people secure a life of possibilities – and we hope we will inspire and encourage other businesses and decision-makers to do the same.

Core activities

Phoenix Insights will focus on two core activities:

Public engagement

We are committed to broad public engagement. We want to encourage people across the UK to challenge their assumptions and reimagine their own futures. We want to help people take new decisions to shape their lives differently, whether that be about money, work, health and caring or the place they live. We will go beyond the usual confines of policy debate to create a national conversation.

Research and analysis

Alongside public engagement, we will use high-quality research and analysis to develop ideas, policies and practical actions that will make a difference. We’ll develop a clear vision of what better longer lives look like, analyse the barriers to change and propose the solutions to improve longer lives for all of us and narrow the gap between the advantaged and the disadvantaged.
On 29 March 2022 we will publish the Longer Lives Index which explores people’s confidence in their financial futures. Working with Frontier Economics, we have conducted a new survey of over 16,000 people aged over 25 across the UK who are not yet retired, exploring their financial readiness for retirement and later life. We have explored five critical dimensions of financial readiness, looking at savings and housing but also work, health, and support from and to family and friends.

In each dimension, we asked people about their expectations and plans for the future and how confident they are about that dimension of their life when they are older. We have also used participants’ data to model the gap between current wealth and how much people may need to save for the retirement they want.

We have analysed the data by a range of variables including age, gender, ethnicity, geographic region and income and will make the dataset freely available on an interactive digital dashboard for all those interested in these issues to make use of the data themselves in their own work.

Later in 2022 we will be launching a programme of public engagement on longer lives. In our first major piece of public engagement, we are working with Nat Cen Social Research and The Policy Institute at King’s College London to explore with the public how we can live our longer lives well. The project includes creative group discussions with a diverse mix of participants across the UK and a peer research phase where participants will debate their reflections and ideas with family, friends and colleagues.

When we asked participants for associations with ‘living longer lives’ people often heard ‘challenges of later life’. This led to a dominant framing of anxiety and uncertainty indicating the extent of the challenge in moving people to feeling that longer lives can really be better lives.

It will culminate in an event, which will bring participants and stakeholders together to build a vision of reimagined longer lives, providing critical insight into how people think, feel and talk about the issue.
Advocating for change

Today, there are a number of barriers that limit people’s ability to provide for their financial futures and secure a life of possibilities. As the UK’s largest long-term savings and retirement provider, we have a critical role to play in advocating for the changes that will remove these barriers.

By listening to our customers, we understand the social issues that impact them the most and have a dedicated team working with decision makers and wider stakeholders to affect policy change. Furthermore, Phoenix Group CEO, Andy Briggs, is the UK Government’s Business Champion for Ageing Society, a role that aligns to promoting our customers’ needs and provides an additional platform for change advocacy.

Future finances and employment

Fundamental to people being able to fund their financial future is the ability to access good, age-inclusive work. Evidence shows that a multi-generational workforce brings diverse skills, experience and capabilities and with about 30% of people in the UK labour market now aged 50 or over, it is increasingly important that older workers are appropriately represented in the workforce. Phoenix Group advocates for this through extensive engagement across our stakeholder groups and by utilising the power of media as well as role modelling age inclusive opportunities through our own colleague proposition.

In 2021, Phoenix Group CEO, Andy Briggs, co-chaired an Employer Group with the Minister for Employment comprising the leading employer groups in the UK in order to tackle the issues impacting employment choices for people who are 50+. During the year Andy also chaired the Business in the Community Age Taskforce which was created to focus on solutions to the COVID-19 impact on 50+ employment.

Future finances and planning

The pensions landscape is increasingly complex and people, rather than governments, are now expected to take the lead in planning for their financial futures and lay the groundwork for a retirement with possibilities. However, nine out of ten people currently make important financial decisions without the help they deserve. We recognise that without guidance, people may struggle to make the right choices at the right time.

In 2021, we worked with the International Longevity Centre (ILC) to understand the problems and possible policy solutions needed to support the 1.7 million Generations Xers that risk retirement poverty. In 2022, we have partnered with the Social Market Foundation to launch an ongoing campaign to get consumers better help.

We are also working with the UK’s Minister for Pensions Advisory Board, to develop a universal Mid-Life MOT. The ‘Mid-Life MOT’ is a mid-career check-up to review an individual’s work, wealth and wellbeing. By flagging up any potential problems, the mid-life MOT check allows us to make the changes needed to improve our future prospects. We will develop and pilot a mid-life MOT for our colleagues in 2022 and will use the insights to shape a proposition for our customers too.
Advocating for change continued

A Fair Future for all

We consider the future societal changes that will affect our customers and work on long-term projects to help prepare for the changes. In 2021, we championed the need for our industry to focus on social care and consider the role we can play to engage and provide innovative solutions for our customers and society. This has led to ongoing government involvement and the establishment of an Association of British Insurers working group.

As a part of our net zero activity, we are leading work with charities and other groups to explore different funding models for homes and home adaptations for older people to improve the energy efficiency and quality of life in their home; particularly important given rising fuel costs and fuel poverty. Also, within the area of social mobility, we are committed to practical activities in our communities and with charities, NGOs and other not-for-profit groups as well as working closely with government.

Guidance Gap Campaign

On 23 February 2022, the Social Market Foundation, published their report titled ‘A Guiding Hand’ which had been prepared in collaboration with Phoenix Group. The report focuses on the Guidance Gap - the gulf in the support available to help people make decisions about their financial futures. It highlights the need for rich quality help, guidance and support to be available to everyone, not only the 8% of people who currently pay for advice.

Menopause and Employment Report

The Menopause and Employment report was produced by the Employer Group co-chaired by the Minister for Employment and Phoenix Group CEO, Andy Briggs. The report presented formal recommendations to government including the appointment of a cross-departmental Menopause Ambassador. We expect government to respond in early 2022 and are committed to working collaboratively with them over the course of the year.

In Work Career Progression Commission

Phoenix Group were delighted to be a member of Baroness Ruby McGregor Smith’s Advisory Board for her ‘In Work Career Progression Commission’ which concluded in 2021. The report explored the multiple barriers faced by those in low-pay, and sets out actions that should be taken to minimise and remove these barriers.
Building a leading responsible business

Investing in our people and culture 40
Reducing the environmental impact of our operations 46
Building a sustainable supply chain 49
Supporting our communities 51
Building a leading responsible business

We are committed to embedding sustainable best practice as the foundation that enables us to achieve our purpose of helping people secure a life of possibilities. It is important that we adopt the highest sustainability standards across our business; and lead by example for the stakeholders we engage with to drive real world change and deliver positive impact. We are doing this by investing in our people and culture, reducing the environmental impact of our own operations, building a sustainable supply chain and making a positive and lasting difference within the local communities where we operate.

Issues influencing our strategy

<table>
<thead>
<tr>
<th>Diversity and inclusion</th>
<th>Climate change</th>
</tr>
</thead>
<tbody>
<tr>
<td>13.7%</td>
<td>5.5x</td>
</tr>
<tr>
<td>female executive directors at FTSE100 companies¹</td>
<td>higher emissions on average from supply chains versus a corporation's direct emissions.⁴</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Future ways of working</th>
<th>Mental health and wellbeing</th>
</tr>
</thead>
<tbody>
<tr>
<td>48%</td>
<td>1 in 4</td>
</tr>
<tr>
<td>of employees will likely work remotely at least part of the time after COVID-19 versus 30% before the pandemic²</td>
<td>people will experience a mental health problem of some kind each year in England⁶</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Modern slavery</th>
</tr>
</thead>
<tbody>
<tr>
<td>136,000</td>
</tr>
<tr>
<td>Up to 136,000 people in the UK are in modern slavery³</td>
</tr>
</tbody>
</table>

³ www.unseenuk.org/about-modern-slavery/facts-and-figures/
Building a leading responsible business at a glance

The table below outlines our delivery against our 2021 targets and sets out our targets for 2022 and long-term ambitions.

<table>
<thead>
<tr>
<th>Our priorities</th>
<th>2021 achievements</th>
<th>2022 targets</th>
<th>Long-term ambitions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investing in our people and culture</td>
<td>7.5 out of 10 average colleague engagement score.</td>
<td>7.8 out of 10 average colleague engagement score.</td>
<td>Phoenix is known as the best place we’ve ever worked by 2026.</td>
</tr>
<tr>
<td>Reducing the environmental impact of our operations</td>
<td>34% reduction in scope 1 and 2 emission intensity (2021 versus 2020) from occupied premises per full-time employee.</td>
<td>20% reduction in Scope 1 and 2 emission intensity (2022 versus 2021) from occupied premises per full-time employee.</td>
<td>Net zero operations by 2025.</td>
</tr>
<tr>
<td>Building a sustainable supply chain</td>
<td>84% of key suppliers engaged on climate change</td>
<td>75% of key suppliers commit to SBTi or Race to Zero</td>
<td>50% reduction in supply chain emissions by 2030.</td>
</tr>
<tr>
<td>Supporting our communities</td>
<td>35% of our colleagues participated in community engagement programmes This was lower than the 2021 target set due to COVID-19 restrictions.</td>
<td>40% of colleagues actively involved in supporting community engagement activity (Group-wide)</td>
<td>Measurement of impact in the community; will set future target for social value generated by community engagement activities.</td>
</tr>
</tbody>
</table>

^ Data assured by EY. See page 68 for EY assurance statement

SDG contribution
Our activity in building a leading responsible business is supporting the delivery of the following sustainable development goals:

- Quality education
- Gender equality
- Reduced inequalities
- Responsible consumption and production
- Climate action
Investing in our people and culture

Our purpose of helping people secure a life of possibilities doesn’t just apply to our customers and society; it applies to our colleagues too. Our vision is to make Phoenix the best place any of us have ever worked and provide every colleague with endless possibilities, support and positive experiences throughout their time at Phoenix.

Creating an outstanding culture
All of our colleagues are core members of our team, and together we continually enable the business to grow and succeed. Phoenix isn’t just our employer, it is ‘our place’, and that’s the experience we endeavour to give all of our colleagues — a place in which everyone dreams to be, a place in which everyone belongs, and where they can be authentic and happy, a place in which everyone leads, and a place in which everyone helps to create.

Colleague insight
Hearing directly from our colleagues, and listening and responding to those insights, is a crucial input into defining how we will realise our vision. In 2021 we launched our continuous listening survey, providing colleagues with a platform to anonymously share their views with us on a monthly basis on engagement, diversity and inclusion and health and wellbeing. The platform enables managers to respond directly to what their teams are telling them. This provides us with powerful and up-to-date insights, and helps us to respond at pace. Our colleague engagement levels have been stable through 2021, never dipping below our target of 7.5/10\(^1\), which aligns to the average across Financial Services. We also established our Phoenix Colleague Representation Forum, supported by a clear partnership arrangement that means we collaborate directly with colleagues on key matters that impact their experience.

\(^1\) Based on a 6-month average
Our people vision

Vision: Make Phoenix the best place any of us have ever worked

‘Our Place’ culture ambitions

**A place you dream to be**
We are known as the best place to work, offering everyone the best possible experience and balance between work and personal lives. Top talent comes to us first.

**A place you belong**
We are recognised as a truly inclusive place to work that embraces diversity in all forms and where colleagues can be their authentic selves.

**A place you help to create**
We trust and empower our colleagues, nurturing individual accountability by providing the space to innovate and challenge the status quo in a safe, supportive and stimulating environment.

**A place you can lead**
We lead the way in creating and delivering innovative, market leading, and disruptive approach to developing leaders of the future.

Outstanding culture
Our Phoenix culture is progressive, reflects our purpose, is lived by all of our colleagues and is celebrated and idolised externally.
Continuing to support our colleagues through the COVID-19 pandemic

The COVID-19 pandemic has seen some of the most challenging situations we have faced in a generation, and we have placed a priority on supporting our colleagues throughout this period. We’ve supported our colleagues through:

1. Employee Assistance Programme offering 24/7 support to colleagues
2. Increased mental health first aiders from 40 to 53
3. Our Mind Matters colleague network, which has seen a ten-fold increase in membership over the past 24 months
4. Enhanced support for parents and carers including an additional five days paid leave
5. Supported parents by helping them purchase home schooling equipment
6. Held virtual social events throughout 2021

Enabling safe return to our offices
As colleagues began to return to our offices, we wanted to ensure that they were able to express their level of comfort over social interactions in a way that avoided any difficult conversations by introducing coloured lanyards. Colleagues who were comfortable with socialising and shaking hands wore green lanyards, colleagues who were comfortable socialising but wanted to still keep a safe distance wore amber lanyards, and colleagues who were not comfortable being in close proximity with others wore red lanyards. After the lockdown restrictions eased, we continued to use our coloured lanyards and also introduced ‘safely socials’ across our offices, helping colleagues to reconnect with one another in a socially distanced way.

Ways of working
The COVID-19 pandemic has presented a unique opportunity to redefine what it means to work. Our colleagues have told us that being able to work in a way that is flexible and protects their work/life balance is important to them, and we see this as a key component of making Phoenix the best place any of us have ever worked.

It is our aim that all of our colleagues are able to work in a way that means they can deliver the best outcomes while protecting their personal health and wellbeing. In 2021 we launched our ways of working model, built around balancing the need of the business, based on role and activities being delivered, with personal preference.

As we look ahead to 2022 we will continue to expand what ways of working means, enabling our colleagues to work in a flexible manner within our offices, at home, and everything in between. We will redefine what our offices are used for, and we will create a broad and inclusive proposition that supports all of our colleagues and their individual needs.
Inclusion – our people demonstrate the behaviours that create an inclusive environment for all
Working jointly with our colleague-led networks, we will role model the behaviours that we expect all of our colleagues to live, and will create an inclusive environment.

Equity – our people processes and practices are fair, accessible and barrier free for all
We will focus on improving recruitment, talent management and inclusive leadership processes to remove bias and any barriers.

Diversity – our workforce reflects the diversity of our customers and society
As a result, each year we will review our diversity commitments. Our priority focus will be on improving our gender and race and ethnicity balance across the business.

We have set ambitious targets to improve the gender and race and ethnicity balance across the business.

**Our 2023 inclusion targets**

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>40%</td>
<td>of our senior leaders will be women</td>
</tr>
<tr>
<td>11%</td>
<td>Increase our ethnic minority representation to 11%, reaching at least 13% by 2025</td>
</tr>
</tbody>
</table>

As at December 2021 our performance was:

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>37.7%</td>
<td>Women in leadership roles</td>
</tr>
<tr>
<td>9.1%</td>
<td>Colleagues from ethnic minorities</td>
</tr>
</tbody>
</table>

Our Women in Finance Charter 2021 commitments performance

In addition to our 2023 inclusion targets we are also signatories of the Women in Finance Charter. Our 2021 performance is detailed below.

- 42% of successors to ExCo roles are women, target 40%
- 27 women in Top 100 roles at 31 December 2021, on target to have 31 at half year 2022 (Target is 30)
- 22.9% mean gender pay gap at 31 December 2021, against a target of 22%

Whilst we have met only one of our commitments, we have seen a positive improvement in our mean gender pay gap and representation of women in our Top 100 roles throughout 2021. There is more to be done, and we are continuing to invest in our existing talent whilst ensuring a balanced candidate list for every role we hire.

Our statutory gender pay gap reporting can be found on our website →
Investing in our people and culture continued

Our colleague networks

Our network’s objectives:

We have nine colleague-led networks that support and drive the delivery of our Diversity, Equity and Inclusion agenda, helping us to build a truly inclusive organisation. Each of our networks is championed by a member of the Executive Committee.

Our networks have four core objectives:

1. Raise awareness of the issues and challenges faced by colleagues
2. Build allyship across the organisation
3. Connect and support colleagues facing issues or challenges relevant to the network
4. Make recommendations to the inclusion forum and steering group about areas of focus

Our networks have a significant impact on our culture, and achieved a lot in 2021, including:

**Mind Matters**
Our mental health network supported colleagues to be open about mental health and providing ways to support them through the challenges of working and living in a pandemic. The Mind Matters network increased its membership from 200 to over 1,400 through a rich and varied programme of events, including a ‘behind the mask’ series where our Executive Committee took part in conversations about their own experiences with mental health. The commitment and impact of the Mind Matters network has been recognised externally as well as internally, with the Mind Matters co-chairs winning the Positive Impact Award at the Scottish Financial Services awards in November 2021.

**Carers**
Our Carers network were instrumental in redesigning our carers offering, which resulted in an increase from five to ten days of paid carers leave available to colleagues alongside a further five unpaid days.

**Enable**
Our disability network have been driving change in Phoenix and strengthening our position as a Disability Confident Employer. This year we signed up to the Valuable 500 to support driving the change needed in employment and opportunities for people with disabilities.

**Mosaic**
Our Mosaic network led the design of the Who We Are app, dedicated to creating an easy to use method to capture diversity data about colleagues. Rolled out across our business, and supported by behavioural scientists, the Who We Are app has been fundamental in helping to shape our strategy for 2022 and beyond. Mosaic have also launched a reverse mentoring programme, which sees mentoring pairs really listening to and understanding the experience of our colleagues from Black, Asian and Minority Ethnic backgrounds.

Our networks

<table>
<thead>
<tr>
<th>Enable</th>
<th>Our colleague-led disability network</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance</td>
<td>Promotes an inclusive working environment</td>
</tr>
<tr>
<td>Ignite</td>
<td>To be a force for change that enhances the colleague and customer experience</td>
</tr>
<tr>
<td>Armed forces</td>
<td>Explores ‘Forces to Business’ related topics</td>
</tr>
<tr>
<td>Carers</td>
<td>Support for colleagues with caring responsibilities</td>
</tr>
<tr>
<td>Mosaic</td>
<td>Enhancing cultural awareness of Black, Asian and Minority Ethnic communities</td>
</tr>
<tr>
<td>Affinity</td>
<td>Promotes LGBT+ inclusion in the workplace</td>
</tr>
<tr>
<td>Mind Matters</td>
<td>A platform for support and ideas on mental health</td>
</tr>
<tr>
<td>PYPN</td>
<td>Promotes equal access to opportunities for ‘early careers’ experience</td>
</tr>
</tbody>
</table>
Investing in our people and culture continued

Early careers and social mobility
We have an extensive programme to support people in joining Phoenix, whether that’s for people who have just started their careers, or where someone is looking to retrain or move industry. We have responded to the introduction of the government initiative, Kickstart, and made a commitment to give 30 people the opportunity to grow their skills with six month placements paying the Real Living Wage. To date, we have welcomed 14 new colleagues across a number of our departments, and are really proud to say that six of these placements have now been offered or have started permanent positions within the business.

We run a Group-wide graduate programme, providing a two-year rotation across our business functions, and a distinct actuarial programme. We have supported students who are in or have recently left full-time education with coaching and work experience through the charity Career Ready in Edinburgh and Wythall.

We are proud to have been placed at number 41 in our first entry to the Social Mobility Index

We were proud to be officially recognised by the Top Employers Institute, as a UK Top Employer for the tenth consecutive year in 2021

Mid-life MOT
We have the responsibility and the passion to create our own Mid-life MOT experience for our own colleagues, 36% of whom are over 45 years old. The Mid-life MOT will support and encourage people to make more active planning in the key areas of work, wellbeing and wealth.

In 2021, our colleagues told us loud and clear that a Mid-life MOT would be really helpful, particularly with financial understanding and support so that colleagues have a clear idea about what money they might have, what they might need, and how to make the right choices.

We will pilot with our colleagues in the second half of 2022 and we will use insights from this to shape a proposition for our customers. Through Phoenix role-modelling these great practices we aim to elevate industry standards and consequently have a positive and direct influence on society.

Wellbeing of our colleagues
We have a significant wellbeing programme to support our colleagues’ mental, physical, and financial wellbeing. This programme is underpinned by our Employee Assistance Programme (EAP) which operates a 24 hours a day, 365 days a year service.

In support of our colleague mental wellbeing, colleagues have access to a Group-wide network of 53 trained mental health first aiders. The mental health first aiders support our colleagues with work or personal issues, promote good mental wellbeing and create an environment of trust. Our mental health first aiders have completed training in Domestic Violence, Carer Champion and Menopause over the course of the year, therefore growing their mental health knowledge and experience.

We provide information and a varied programme of physical wellbeing activities to help colleagues look after their lifestyle, make healthy choices, and reduce the possibility, or impact of future ill-health. These have included nutritional webinars, fitness classes, step challenges and raising awareness of topics such as diabetes, menopause and cancer.

Financial needs can change around key life events which is more prevalent than ever in light of COVID-19. We offer a wide range of useful financial advice health topics including retirement planning, budgeting, managing debt, property, wills, estate planning, and tax planning which support colleagues in and outside of work.
Reducing the environmental impact of our operations

We are committed to addressing climate change and limiting global warming to 1.5°C. Our operations will be net zero carbon by 2025. This target covers scope 1 and 2 emissions from our occupied premises and scope 3 emissions from our business travel and is the first phase of our wider plans to become a net zero Group by 2050.

Environmental Management System

Central to managing our impact is the Environmental Management System (EMS) that we have adopted to facilitate sustained greenhouse gas reductions. We are updating, creating and collating a number of internal plans and processes to begin the alignment of the EMS we have in place against the requirements of the International Standards ISO 14001 prior to seeking standalone accreditation in 2022.

As an example of how we put this into practice, we have aligned our capital expenditure programme to our net zero target and re-prioritised spend based on the potential carbon impact of the projects we consider. Many of these projects are carried out in offices that need to stay operational throughout the year and are phased over a number of years to minimise disruption to the occupants. As such, the energy and carbon savings identified may fluctuate depending on the extent of works carried out in a particular year. Some of the ongoing projects include:

- LED lighting roll out;
- building and ventilation control systems upgrades;
- sub-metering installations;
- boiler upgrades including gas to electric system replacements; and
- chiller replacements.

Managing our carbon emissions

We are progressing with our carbon reduction strategy based on the following principles and areas of focus for energy-efficient operations, business travel, renewable energy and carbon offsets.

1 First eliminate

- Influence business decisions to prevent emissions across the business (e.g. internal environment set points within buildings);
- Identify premises rationalisation opportunities (as was completed with our London Head Office);
- Identify new business models available (e.g. Ways of Working).

2 Then reduce

- Real and relative (per FTE) carbon reduction.
- Efficiency in operation and energy management (e.g. efficient lighting, building controls).
- Optimise approaches (technology upgrades, digital upgrades etc.).

3 Then replace

- Lower carbon technologies (e.g. electric vehicle charging points, remote working technologies etc.).
- Reduce carbon intensity of energy used (e.g. on site equipment replacement such as replacing gas boilers with electric options).
- Purchase energy and services with lower carbon intensity (e.g. renewable electricity contracts).

4 Compensate for what is left

- Compensate unavoidable residual emissions through carbon removal projects (e.g. the carbon offset program for gas consumption).
- Investigate land management value chain (e.g. tree planting/ increased biodiversity).

Our carbon reduction targets

We have made great progress in reducing our operational emissions and have set further stringent targets on the road to net zero by 2025.

34%

We achieved a 34% year-on-year reduction in operational emission intensity (2021 versus 2020).

20%

We plan to maintain this impact and go further in 2022 with our target of a 20% year-on-year reduction for 2022 versus our 2021 target.

We continue to procure 100% renewable energy across all our occupied premises and adopted a green travel plan to manage and reduce travel emissions year-on-year.

Phoenix Group Holdings plc Sustainability Report 2021
Reducing the environmental impact of our operations continued

Largest PV glass installation in Europe

We are in the process of installing one of the largest building integrated Photo-Voltaic (PV) glass installations in Europe at our Wythall Office. A scheme that is set to complete in 2023 will replace the existing atria roof glazing with new Velux commercial roof lights that incorporate innovative solar photovoltaic cells within the glazing units. Improved thermal performance of the glass will prevent too much heat build-up in the summer months but will retain heat in the building during the winter months. The roof contributes to our net zero ambition through the generation of 52,300 kWh every year – the equivalent of making 1.25 million cups of tea and saving 27,144 kg/CO₂e emissions, equivalent of what 900 fully grown trees can absorb each year.

Waste and resource management

Waste management forms part of our wider resource management actions to help reduce our environmental impact. We follow a waste management hierarchy that adopts the following principles listed in order of preference:

- First avoid and reduce waste by identifying efficiencies in the overall products used and purchased for the Group.
- Re-use waste by adopting processes to repair and donate resources.
- Recycle waste by adopting practices that encourage the procurement of more recyclable product alternatives.
- Recover energy through partnerships with waste contractors that use waste as energy.
- Dispose of or divert waste from landfill through our waste contractor agreements or resource donation programme.

We see waste management as forming the disposal part of the resource cycle and are in the process of adopting processes that will also address the ways in which we source, use, re-use and dispose of materials across the Group. This is a complex undertaking and we are making inroads annually, eliminating single-use plastic and non-recyclable cups from our beverage vending areas in 2021.

We are actively aiming to increase recycling of waste from our operations and are utilising site-specific minimisation and management plans alongside circular economy initiatives to enhance our waste management. All our core operational sites across the Group continue to have 100% waste diverted from landfill. We launched our resource donation programme in 2021 that routinely gifts local charities and community groups with surplus IT equipment and furniture.
Reducing the environmental impact of our operations continued

Travel policy
We have further enhanced our travel policy in 2021 to align with more sustainable practices for business travel and commuting.

Our policy encourages a modal shift in travel choices based on their potential carbon impact, by promoting the Sustainable Travel Hierarchy. Most sustainable and at the top of the hierarchy, is ‘virtual first’ which avoids any physical travel with air travel being the least sustainable method of transport at the bottom of the hierarchy.

The policy, and associated guidelines, also encourages the reduction to the number of employees travelling to the same meeting, combining trips, and accelerating the modal shift from air and car travel to public and shared transport (e.g. rail) by recommending actions such as the rescheduling of meetings to allow for train timetables which sometimes may mean that meetings have to start later or end earlier to allow the traveller greater flexibility of choice.

Nature positive impact
We are committed to having a positive nature impact in our communities and areas where we operate. We plan to complete biodiversity assessments for each of our core operational sites which we will use to develop a more detailed site specific biodiversity strategy. This will form part of the Group’s wider biodiversity strategy that is being developed over the course of 2022.

Carbon offsets
We consider carbon offsets to be only the final step to our carbon reduction plans and currently only use offsets as part of our energy supply whereby, for our natural gas consumption, we offset the associated carbon impact at source to complement our 100% renewable electricity supply. In 2021, we offset 2,453 tonnes of carbon dioxide by supporting multiple projects that distribute stoves that utilise rocket technology via the Gold Standard for Global Goals. The projects which we have supported have benefited more than 136,000 people across communities in Kenya.

Employee engagement
Our environmental aspirations and targets will not be achievable without the engagement and buy-in of our colleagues, to that end, we are committed to supporting and enabling our colleagues to embed sustainable and carbon efficient behaviours across the Group.

In 2021, we launched our Sustainability Network and Champion Groups for the Environment, Volunteering, Fundraising and Wellbeing. Our Environment Champions Network has representation of colleagues across the business who are empowered to engage colleagues in their division and offices on environmental behaviour and communicate progress against our targets. Training was given to these colleagues on environmental management and we will develop and roll out further training to colleagues over the course of 2022.

To celebrate the launch of the network we were joined by World Wildlife Fund (WWF) to host a screening of ‘Our Planet: Too Big to Fail’. The film, created by the Emmy® Award-winning Silverback Films and WWF, explores the risks of inaction, the impact of investing-as-usual, and the role the finance sector can play powering a sustainable future.

Watch ‘Our Planet: Too Big to Fail’ here →
Building a sustainable supply chain

We are committed to working with our partners and suppliers who share our commitment to sustainability. We are collaborating with them to adopt our stretching supply chain standards across climate change, modern slavery and human rights and health and safety.

**Governance and management**

In 2021, we rolled out a set of sustainable supply chain standards to our key suppliers, who represent approximately 80% of our spend. These standards cover ESG best practice for climate change, modern slavery and health and safety. We are closely engaging our suppliers to help them both meet our standards and set clear climate reduction targets, modern slavery prevention programmes and best practice health and safety programmes by the end of 2022. Through our supply chain we believe we can amplify our impact to encourage other companies to enhance their sustainability credentials. We value our supplier relationships and we want to work together to determine how to achieve our standards.

**Climate change**

Throughout 2021, we have been engaging our key partners and suppliers, helping them to build a clear climate change plan and to commit to the Science Based Target Initiative. Additionally, we have been encouraging our key suppliers to submit their carbon emissions data via CDP, with over 81% having done so already. This supports Phoenix in determining the baseline of our supply chain emissions and where we have carbon ‘hot spots’ so we can focus on these areas and minimise our supply chain emissions.

Throughout 2022, we will continue to share knowledge, resources and tools to help set ambitious sustainability plans and targets with our partners and suppliers. In addition, through an independent review we will determine the ESG risk in our supply chain and notify suppliers deemed to be high risk later in the year, setting our expectation that they meet our standards.

Our supply chain emissions reduction targets:

- by 2030: 50% reduction in supply chain emissions
- by 2050: net zero supply chain

**ESG Supplier Open Letter**

In December, we published an ESG Supplier Open Letter for all 1,500 of our partners and suppliers, an industry first for a financial services organisation. The letter is a call to action setting out our expectations for all partners and suppliers to develop clear sustainability ambitions and targets for their businesses and seek alignment with ours. We strongly believe that by driving ESG considerations into their businesses, our partners and suppliers will improve their long-term sustainability, their financial returns and reduce the impact on climate change. Specifically, we expect partners and suppliers to:

- Adopt Science Based Targets initiative (SBTi) carbon reduction targets;
- Implement a plan to tackle and report on modern slavery; and
- Meet best practice health and safety standards.

We look forward to continuing to work with our suppliers to further enhance the sustainability of our supply chain. When looking at any new partners and suppliers, Phoenix will be prioritising organisations that already have these sustainability ambitions in place.

In 2021, we engaged 84% of our key partners and suppliers, achieving our target of engaging 75% of key suppliers on climate change.

Read our ESG Supplier Open Letter here →

The Supplier Code of Conduct

Our Supplier Code of Conduct outlines the minimum ESG requirements for all our suppliers and is published on our website.
Building a sustainable supply chain continued

Modern slavery and human rights
At Phoenix Group, we recognise that modern slavery and human rights violations exist in supply chains, including the manufacturing of goods such as hardware for mobile phones or cleaning services in office buildings. In late 2021, we commenced an independent ESG risk assessment of our supply chain to determine the ESG risk areas including modern slavery and human rights. Suppliers deemed high risk will be informed in the second half of 2022 and required to meet our Sustainable Supply Chain Standards. In 2021 the risk of modern slavery and human rights violations was deemed a relatively low risk.

In 2022, we commenced the roll out of modern slavery training to our commercial partnerships function including our procurement colleagues and supplier relationship managers throughout our business. We understand that raising awareness is a key driver in combatting modern slavery.

We spent considerable time in 2021 engaging our key suppliers to raise awareness about modern slavery and human rights and to ensure they are building out appropriate programmes, reporting and promote increased transparency on performance. Clear guidance has been given to those suppliers that are not meeting the requirements of the Modern Slavery Act and help has been offered on establishing a programme and governance to manage the issues and develop an appropriate statement.

Health and safety
We expect robust health and safety conditions for all workers in the supply chain, and to comply with the Health and Safety at Work Act UK or local equivalent. Suppliers are expected to have health and safety staff training and a management system in place and to publish their health and safety performance externally. Through our engagement in 2021 we have been working with our key suppliers to ensure they are on track to meet our sustainable supply chain Health and Safety Standards. Some suppliers do not yet have a Health and Safety Management System in place and thus more work is required in 2022 to complete their actions plans by year end.

ESG Training
Throughout 2021, we undertook several training initiatives with both colleagues and suppliers. Our key suppliers participated in the Carbon Disclosure Project climate change webinars. As a result our key suppliers remain engaged with us on their ESG progress and over 80% now have a carbon reduction target. Further engagement is ongoing in 2022 to help these key suppliers complete their action plans to meet our sustainable supply chain standards. In addition, engagement will be extended to our high-risk suppliers and key suppliers in our entities including Sunlife and Standard Life International.

Prompt Payment Code
Phoenix Group has been a proud signatory to the UK Government’s Prompt Payment Code since December 2012. 2021 activity has focused on improving our systems to enable us to pay 95% of our suppliers within 60 days.

In 2021, 96% of our key suppliers published their own Modern Slavery Statement

Over 80% of our key suppliers now have a carbon reduction target

Our external collaboration
We are engaging with key industry bodies to share best practice that will enhance the sustainability of our supply chain.

81% participation in the Carbon Disclosure Project Supplier Survey in our inaugural year from our key suppliers

Joined the ABI Sustainable Supply Chain Working Group

Sustainable Markets Initiative Insurance Taskforce Supply Chain Pledge
Supporting our communities is at the heart of realising our purpose of helping people secure a life of possibilities. Our community engagement programme aims to address pressing societal issues and make a positive and lasting difference within our local communities where we operate. We do this through the implementation of initiatives that utilise both Group resources and the power of colleague engagement.

Monetary donations
We offer a range of ways for colleagues to donate to registered charities across the UK and Europe. Colleagues can support our four charitable partners or ‘give back’ through payroll giving schemes, personal fundraising or straightforward donations to any charity of their choice.¹

Due to the ongoing COVID-19 pandemic and restrictions around the ability to host and participate in face-to-face fundraisers we chose to continue matching any straightforward donations colleagues made to registered charities across the year. Our colleagues across the UK, Ireland and Germany have donated to various charities tackling various nationwide issues such as the COVID-19 pandemic, oxygen crisis in India, and aid towards refugees and floods in Germany.

Launching our new UK charity partnership with Samaritans

Following a vote from colleagues, Phoenix launched its new UK charity partnership with Samaritans in April 2021.

Since the partnership commenced colleagues have been fundraising, volunteering and assisting Samaritans’ branches in our local communities.

So far we have raised in excess of £330,000 through colleague fundraising and donations, Group matching and donations as well as contributions from our suppliers. Our donations could fund over 66,000 calls for help.

Alongside fundraising and raising awareness, Samaritans delivered awareness sessions for colleagues, supporting them with difficult conversations and emotional wellbeing.

“On behalf of everyone at Samaritans, I’d like to say a huge thank you. Our volunteers are there for anyone struggling to cope, every day and every night. It costs £5 for Samaritans to answer a call for help, so Phoenix’s phenomenal support makes such a difference in helping us continue to be there for anyone struggling to cope.”

Catherine McCallum, Corporate Account Manager, Samaritans

¹ Nothing deemed religious or political was supported by the Group across the year.
Supporting education in our local communities

This year we launched a second formal school partnership with Ferryhill Primary School in Edinburgh, joining our four-year long partnership with Ark Kings Academy in Birmingham. School partnerships aid social mobility and provide access to quality educational opportunities, helping to eliminate unfair advantage. We look to work with pupils in our communities that will benefit most from our assistance – helping to improve literacy and financial skills, alongside providing opportunities to experience the world of work and what a future career in financial services may look like.

Through our school partnerships we look to support activities that will help to bridge the gap with missed education caused by COVID-19, harnessing the power of skills-based volunteering amongst our colleagues.

“This partnership offers a great opportunity for children to access the skills, knowledge, experience and support of Phoenix Group and its workforce. We plan to take opportunities to enhance learning and teaching by bringing real-life contexts into the classroom, contributing to learning of STEM subjects, language skills and sustainability.”

Stewart Crabb, Head Teacher at Ferryhill Primary School

Our charity partnerships across Europe

Alongside our new UK charity partnership we have longstanding partnerships with a number of charities across Europe. Colleagues in Ireland supported ALONE, and colleagues in Germany and Austria supported two cancer charities Hilfe für krebskranke Kinder Frankfurt e.V and Österreichische Krebshilfe Wien.

Community investment

Any new community investment opportunities are assessed to ensure they fit with the Community Engagement strategy, the key societal issues and themes identified through research, and our wider Company purpose, to ensure the most value is created from the activities we support. Our research highlighted local skills and employment needs, how communities could be healthier, safer and more resilient, environmental priorities and the importance of supporting local supply chains and community organisations in response to COVID-19.

It is through this research that our newest partnership school was selected, and the sponsorship of community programmes such as Age UK’s men in sheds were supported.

Phoenix is proud to have supported a STEM education programme with London’s Air Ambulance Charity. STEM learning materials support pupils with exploring roles they may not have considered previously, inspiring the doctors, paramedics and pilots of the future.

We work with a range of educational institutions with a desire to improve literacy levels and numeracy skills in our local communities. We are ongoing supporters of ‘The Vision for Literacy Business Pledge’ which is a campaign to help close the nation’s literacy gap and boost social mobility.

£1 million benefiting charities in the communities in which we are based across 2021

1 Includes Company donations and matching, colleague fundraising and straight-forward donations and supplier contributions.
Volunteering
Volunteering is embedded into our culture and many of our colleagues make a real difference to people’s lives by donating their time and skills to support a range of community-based groups. All colleagues are entitled to two days volunteering during business hours for individual activities and an additional day for participating in a team volunteering challenge.

Whilst the ongoing COVID-19 pandemic has restricted the ability for many in-person activities, we have continued to offer a range of virtual alternatives. Online remote reading programmes for primary-aged pupils and maths and English tutoring has taken place, with colleagues helping to bridge the gap in missed education caused by the pandemic. In Ireland participation in Junior Achievement Ireland whereby many of our volunteers are helping to deliver programmes in a virtual way encouraging students in local schools to see the value of education and instilling belief in their own potential.

Across the year colleagues have volunteered over 2,650 hours to support our communities
Governance

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Robust governance and responsible business practice

The Group’s governance framework is the foundation enabling the achievement of our purpose and sustainability strategy.

Phoenix’s purpose, to help people secure a life of possibilities, is deeply rooted in our desire to be a force for good. Our strategy is designed to help us achieve this purpose. Our values set the tone for expected behaviours and our culture is the thread that ties this all together. Governance is key to bringing together our purpose, strategy, values and culture in a cohesive way to better equip the Group to create a positive and lasting impact for our stakeholders and wider society.

Ensuring the highest standards of governance within Phoenix is key to enabling robust and virtuous decision making. Our governance framework also provides the support and agility needed to operate as a successful and sustainable business for the benefit of our stakeholders. The Group’s sustainability governance structure, as shown on the right, has been developed to reflect the importance placed on Phoenix’s approach to sustainability and pursuit of our purpose.
The role of governance

The Group has embedded sustainability within its governance framework to oversee the successful delivery of our sustainability strategy.

Phoenix Group Holdings plc Board
In accordance with its matters reserved, Phoenix Group Holdings plc Board (‘Group Board’) is responsible for the overall strategy of the Group, including the Group’s sustainability strategy. The Group Board has a robust board committee structure in place to assist in the discharge of its responsibilities, through delegations within approved terms of reference of these committees. Sustainability related responsibilities are allocated to certain committees dependent on their overall purpose and remit.

Board Sustainability Committee
Chaired by Karen Green (an Independent Non-Executive Director of Phoenix Group Holdings plc and the Group’s Designated Non-Executive for Workforce Engagement), the Board Sustainability Committee is responsible for assisting the Board in overseeing the achievement of the Group’s sustainability strategy, related management activity and approach to Environmental, Social and Governance (‘ESG’) matters.

The Committee’s duties include ensuring the appropriateness of the Group’s sustainability strategy and related targets and KPIs; supporting the Board and Board Audit Committee in respect of the Group’s sustainability related material reporting (including TCFD reporting); reviewing and challenging actions carried out by management in line with the sustainability strategy; keeping sustainability best practice and market insights under review; monitoring developments of, and compliance with, sustainability related regulatory requirements and assisting the Board with its oversight of the Group’s culture.

The Board Sustainability Committee’s activities during 2021 spanned across all elements of the Group’s sustainability strategy, including the following key highlights:

• Review and challenge of the Group’s sustainability strategy, prior to approval from the Group Board.

• Approval of the Group’s Sustainability KPIs and targets.

• Review and challenge of the Group’s Climate Biennial Exploratory Scenario submission (jointly with the Board Risk Committee).

• Approval of the Group’s Exclusions Policy.

• Review and challenge of the Group’s interim decarbonisation targets (including a reduction of 25% in the carbon emission intensity of its investments by 2025 and reduction of at least 50% in the carbon emission intensity of its investments by 2030).

For more detail about the Board Sustainability Committee and its activities during 2021 please see pages 103 to 105 of Phoenix Group Holdings plc 2021 Annual Report and Accounts.

In addition to the Board Sustainability Committee, sustainability related duties are also distributed between the following board committees.

Phoenix Group Holdings plc YE21 Annual Report and Accounts
For more detail about the Board Sustainability Committee and its activities during 2021 please see pages 103 to 105 of Phoenix Group Holdings plc 2021 Annual Report and Accounts.
Subsidiary governance

Engagement across the Group’s sustainability governance framework is supported by operating principles which set out expectations for sharing information and interaction between boards and committees.

The Phoenix Life Companies Board (joint boards of Phoenix Life Limited, Phoenix Life Assurance Limited; ReAssure Limited; and ReAssure Life Limited) reviews the Group’s sustainability strategy and provides input prior to its approval by the Group Board. A member of the Phoenix Life Companies Board, Amanda Bowe (Senior Independent Director) attends each Board Sustainability Committee meeting as a standing attendee. This ensures connectivity across the Group on matters of sustainability. In addition, during 2021, a representative of each of the Standard Life Master Trust Company Limited Board, Independent Governance Committee and Phoenix Life Companies Board Investment Committee attended relevant deep dive sessions undertaken with the Board Sustainability Committee.

Sustainability is embedded across our board committees:

**Board Risk Committee**
The Board Risk Committee, chaired by John Pollock (Independent Non-Executive Director of Phoenix Group Holdings plc), is responsible for overseeing the identification, assessment, management and reporting of climate-related risks within the Group Risk Management Framework, including oversight of the Group’s climate related stress and scenario testing, and oversight of risk disclosures in respect of climate-related risks coordinating with the Board Sustainability Committee and Board Audit Committee as appropriate.

**Board Nomination Committee**
The Board Nomination Committee, chaired by Nick Lyons (Chairman of Phoenix Group Holdings plc), is responsible for engaging with the Board Sustainability Committee as appropriate, in particular in relation to Diversity and Inclusion matters, to drive a consistent approach to the execution of the sustainability strategy across the Group and to ensure appropriate ESG reporting on matters within the remit of the Committee.

**Board Audit Committee**
The Board Audit Committee, chaired by Alastair Barbour (Senior Independent Director of Phoenix Group Holdings plc), is responsible for reviewing reporting in the annual report and accounts and such other material documents in respect of climate change and ESG matters for compliance with relevant regulations and legislation and standards set by the Board Sustainability Committee.

**Board Remuneration Committee**
The Board Remuneration Committee, chaired by Kory Sorensen (Independent Non-Executive Director of Phoenix Group Holdings plc) is responsible for engaging with the Board Sustainability Committee and Board Risk Committee, as appropriate, to drive a consistent approach to the execution of the sustainability strategy across the Group and to ensure that there are appropriate ESG elements included within the Group remuneration framework.

The terms of reference of Phoenix Group Holdings plc Board Committees are available on the Company’s website.

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Phoenix Group Holdings plc Sustainability Report 2021
Operational governance

Phoenix Group Executive Sustainability Committee
The Executive Sustainability Committee is chaired by Claire Hawkins (Director of Corporate Affairs & Investor Relations) and is a sub-committee of the Group Executive Committee. This management committee assists the Group Board Sustainability Committee, the Group Executive Committee and the Group Chief Executive to ensure the implementation of the sustainability strategy of the Group. It does not have decision making authority delegated to it from the Group Executive Committee.

The committee ensures that recommendations and information provided to the Board Sustainability Committee (the ‘BSC’) are consistent with the approved Group sustainability strategy and aligned with relevant risk appetites. The committee meets at least five times a year in advance of BSC meetings, taking a feed from the sustainability pillar governance. The committee’s duties include:

• Supporting the development, and reviewing the appropriateness, of the sustainability strategy which is proposed to the BSC and the Group Board for approval.

• Assisting with the development of sustainability key performance indicators (‘KPIs’) and performance metrics to support the delivery and communication of the sustainability strategy.

• Responding to relevant emerging changes in the external environment and ensure appropriate action is taken and the Group’s sustainability strategy is adapted, as part of the annual approval cycle, as required.

• Embedding, reviewing, challenging, overseeing and supporting the achievement of the Group’s sustainability strategy and associated initiatives at an operational level.

• Recommending appropriate metrics for inclusion within executive balanced scorecards to be recommended to the Group Board Remuneration Committee.

• Keeping up to date with Environmental, Social and Governance (‘ESG’) best practice and thought leadership, monitoring the extent and effectiveness of the Group’s external reporting of relevant sustainability performance, and its participation in external benchmarking indices.

• Considering the appropriateness of the Group’s position on relevant emerging sustainability related matters.

• Overseeing the implementation of, and compliance with, material sustainability regulation, including Task Force on Climate-related Financial Disclosures.

• Reviewing, challenging and supporting the external and internal sustainability communication strategy, including the annual sustainability report which is approved by the Board.

• Overseeing the annual refresh of the Sustainability Risk Policy and supporting the BSC on any matters raised by the Board Risk Committee.
The role of management

Individual accountability
The Group’s Chief Executive Officer, Andy Briggs, is the Executive Board Director responsible for implementation and delivery of the Group’s overall strategy. The sustainability strategy forms part of that Group strategy.

The Group’s Executive Sustainability Committee, led by Claire Hawkins (Director of Corporate Affairs and Investor Relations), acts to support the fulfilment of this responsibility. The Executive Sustainability Committee is comprised of key Executive Committee members, including sustainability pillar, risk and TCFD sponsors who are also members of the Group’s Executive Committee.

In line with regulatory requirements, our governance framework also includes specific coverage of climate change risks and opportunities. The responsibility for climate-related risks and opportunities is held by the Group Chief Risk Officer, Jonathan Pears, to ensure that the risk management framework supports the management of risks, and in the case of financial implications, by the Group Chief Financial Officer, Rakesh Thakrar. Further detail can be found in the Group Climate Report 2021.

Other management committees and working groups
A network of management committees and working groups operate to ensure that operational governance supports the day-to-day delivery of the Group’s sustainability strategy. These management committees and working groups are not decision making bodies, but provide forums for discussion and monitoring of progress against the different elements of the sustainability strategy and the Group’s implementation of the TCFD recommendations.

Risk Management and compliance
The Group’s Risk Management Framework (RMF) embeds proactive and effective risk management across the Group. It seeks to ensure that all material risks are identified, assessed, controlled, monitored, managed within approved risk appetites and reported through agreed governance routes in line with delegated authorities. The RMF is an enabler to delivering the Group’s risk strategy, to take rewarded risks which are understood, managed effectively and consistent with our Social Purpose and Enterprise Strategy. A key component of the RMF is the Risk Universe, which represents the complete set of risks to which the Group is exposed and is central to the structure and operation of many of our risk management processes. The Group’s Risk Universe includes a category on Sustainability covering ESG issues and the Group Board-approved Sustainability Risk Appetite Statement. A Group-wide Sustainability Risk policy has been developed and is being embedded, to identify the Group’s key inherent risks, risk appetite for running these risks, and the controls to mitigate those risks to operate within the Board appetite. An internal project was undertaken to enhance the Group’s approach to managing the financial risks of climate risk considerations within the Group’s RMF, to meet the requirements of the PRA Supervisory Statement 3/19 (SS3/19). The Group’s disclosures in line with TCFD recommendations, including further work to be progressed are outlined in our Annual Report and Accounts from page 52. Read more about the Group’s Risk Management Framework in the Group’s Annual Report and Accounts.
2021 ESG Data Report

ESG key performance indicators  61
Investing in a sustainable future  62
Engaging people in better financial futures  62
Building a leading responsible business  63
Assurance statement  68
ESG key performance indicators

We have identified a collection of key performance indicators (‘KPI’) that we use to track and measure the delivery of our sustainability strategy. We continue to evolve our reporting and will be developing further KPIs over the course of 2022.

Investing in a sustainable future

<table>
<thead>
<tr>
<th>Measure</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage of illiquid asset originations in sustainable investments for the shareholder portfolio*</td>
<td>N/A1</td>
<td>N/A1</td>
<td>67% (£1,294m/£1,923m)</td>
</tr>
<tr>
<td>Percentage coverage of ESG data analytics² of equities and liquid credit where Phoenix exercises control and influence*</td>
<td>N/A1</td>
<td>N/A1</td>
<td>87%</td>
</tr>
<tr>
<td>Financed emissions (GHG scope 3, category 15 – emissions from investments)*</td>
<td>15,019,733 tCO2e³</td>
<td>—</td>
<td>—</td>
</tr>
</tbody>
</table>

¹ N/A – not applicable as new metric in 2021.
² Coverage of ESG data analytics includes ESG ratings, carbon emissions as well as other sustainability data points.
³ 2019 year-end financed emissions baseline aligns with the Net Zero Asset Owner Alliance decarbonisation framework. For full details on our approach to calculating absolute financed emissions and emissions intensity of assets through Partnership for Carbon Accounting Financials (PCAF), please see the “Development of our climate metrics” section in our 2021 Climate Report.
⁴ Data assured by EY. See page 68 for EY assurance statement.

For further information on our financed emissions, see our 2021 Climate Report →

Engaging people in better financial futures

<table>
<thead>
<tr>
<th>Measure</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of policies</td>
<td>13.7m</td>
<td>12.9m</td>
</tr>
<tr>
<td>Digital – logins</td>
<td>17.9m⁴</td>
<td>20.3m</td>
</tr>
<tr>
<td>Digital – app Logins</td>
<td>51.40%⁵</td>
<td>55.90%</td>
</tr>
<tr>
<td>Digital – secure Message</td>
<td>135,495</td>
<td>192,078</td>
</tr>
<tr>
<td>Digital – customers able to view charges and discounts online via dashboard</td>
<td>82%¹</td>
<td>95%¹</td>
</tr>
<tr>
<td>Digital – customers able to view charges and discounts online via app</td>
<td>45%²</td>
<td>93%²</td>
</tr>
<tr>
<td>Combined Group customer satisfaction – telephony (comprising Phoenix Life, Standard Life and ReAssure customer satisfaction scores)*</td>
<td>N/A³</td>
<td>92%⁶</td>
</tr>
<tr>
<td>Demand processed within SLA</td>
<td>N/A³</td>
<td>90%⁷</td>
</tr>
<tr>
<td>Complaints closed within 8 weeks</td>
<td>N/A³</td>
<td>93%⁸</td>
</tr>
</tbody>
</table>

¹ Percentage of pension customers accessing standardlife.co.uk that can view their plan charges and discounts.
² Percentage of pension customers accessing either the Standard Life app on Apple App Store and Standard Life UK app on Google Play Store that can view their plan charges and discounts.
³ N/A – not applicable as new metric in 2021.
⁴ Total logins registered across standardlife.co.uk, Standard Life app on Apple App Store and Standard Life UK app on Google Play Store.
⁵ Percentage of total logins received via either the Standard Life app on Apple App Store and Standard Life UK app on Google Play Store.
⁶ The customer satisfaction scores from entities across the group are combined, each entity currently takes different approaches to measurement. Standard Life telephone customer feedback surveys are delivered to customers after key interactions using the Rant & Rave solution, either by SMS or email, the question asks “Using a scale of 5 (excellent) to 1 (very poor) reply to tell us how you would rate your call experience today?” and the score is calculated as the % of responses of 4 or 5. For Phoenix Life, the rating is a customer satisfaction score based on the results of a satisfaction survey following telephony interaction managed by Ipsos MORI, customers surveyed were asked to give a satisfaction rating of between 1 and 5 to a number of questions (with a rating of 4 or 5 regarded as satisfied). ReAssure surveys use the Feedback Ferret solution to ask customers a similar question rated on a scale of 1-5, with 4 or 5 regarded as satisfactory.
⁷ The rating is a percentage based upon the total volume of all complaints resolved within 8 weeks from date of receipt divided by the total number of complaints resolved.
⁸ Data assured by EY. See page 68 for EY assurance statement.
Building a leading responsible business: Investing in our people and culture

<table>
<thead>
<tr>
<th>Measure</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Memberships, commitments &amp; pledges</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Entry in UK’s Top Employer Index</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Living Wage Employer Accreditation</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Signatory of Mental Health at Work Commitment</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Signatory of Race at Work Charter</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Signatory of The Valuable 500</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Signatory of #10,000blackinterns</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Carer Positive Employer in Scotland</td>
<td>Exemplary – level 3 award</td>
<td>Exemplary – level 3 award</td>
</tr>
<tr>
<td>Disability Confident Scheme</td>
<td>Committed</td>
<td>Committed</td>
</tr>
<tr>
<td>Business Disability Forum Member</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Signatory of Women in Finance Business Charter</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Signatory of Social Mobility Pledge</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>Number of colleagues &amp; percentage split</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of colleagues</td>
<td>7,653¹</td>
<td>8,045¹</td>
</tr>
<tr>
<td>Percentage of colleagues aged 16 to 18 years</td>
<td>0.01%¹</td>
<td>0.3%¹</td>
</tr>
<tr>
<td>Percentage of colleagues aged 19 to 25 years</td>
<td>11.90%¹</td>
<td>12.0%¹</td>
</tr>
<tr>
<td>Percentage of colleagues aged 26 to 35 years</td>
<td>23.90%¹</td>
<td>24.5%¹</td>
</tr>
<tr>
<td>Percentage of colleagues aged 36 to 45 years</td>
<td>27.90%¹</td>
<td>27.4%¹</td>
</tr>
<tr>
<td>Percentage of colleagues aged 46 to 55 years</td>
<td>26.20%¹</td>
<td>25.5%¹</td>
</tr>
<tr>
<td>Percentage of colleagues aged 56 to 65 years</td>
<td>9.50%¹</td>
<td>9.9%¹</td>
</tr>
<tr>
<td>Percentage of colleagues aged over 65 years</td>
<td>0.50%¹</td>
<td>0.4%¹</td>
</tr>
<tr>
<td>Colleagues working on permanent contract terms</td>
<td>94.00%¹</td>
<td>96.2%¹</td>
</tr>
<tr>
<td>Colleagues working on fixed term contracts</td>
<td>6%¹</td>
<td>3.8%¹</td>
</tr>
<tr>
<td>Percentage of colleagues opting to work part-time</td>
<td>16.1%¹</td>
<td>15.0%¹</td>
</tr>
<tr>
<td>Percentage of colleagues who have a formalised annual appraisal</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>
## Building a leading responsible business: Investing in our people and culture continued

<table>
<thead>
<tr>
<th>Measure</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gender &amp; ethnic reporting</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Group Gender Split*</td>
<td>52% Female^1</td>
<td>52% Female^1</td>
</tr>
<tr>
<td>Executive Committee Gender Split*</td>
<td>20% Female</td>
<td>20% Female</td>
</tr>
<tr>
<td>Board of Directors Gender Split*</td>
<td>31% Female</td>
<td>33% Female</td>
</tr>
<tr>
<td>Workforce that is of Black, Asian or Minority Ethnic background*</td>
<td>557 (7.6%)^2,3</td>
<td>665 (9.1%)^4</td>
</tr>
<tr>
<td>Percentage of top 100 roles occupied by women</td>
<td>21%^5</td>
<td>27%^5</td>
</tr>
<tr>
<td>Percentage of green/amber successors that are women</td>
<td>36%^5</td>
<td>42%^5</td>
</tr>
<tr>
<td>Group wide gender pay gap</td>
<td>24.10%^5</td>
<td>22.90%^5</td>
</tr>
<tr>
<td>Group wide gender pay gap (non-statutory)^2</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Staff turnover, sickness &amp; participation in schemes/plans</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Staff turnover (colleagues choosing to leave voluntarily)</td>
<td>6.8%^5</td>
<td>10.80%^5</td>
</tr>
<tr>
<td>Days lost through sickness absence</td>
<td>2.6%^6</td>
<td>2.70%^6</td>
</tr>
<tr>
<td>Average colleague sickness absence rates per FTE (days)</td>
<td>6.4^6</td>
<td>6.9^6</td>
</tr>
<tr>
<td>Number of colleagues that participate in Phoenix Sharesave scheme</td>
<td>2,115^1</td>
<td>2,949 1</td>
</tr>
<tr>
<td>Number of colleagues that participate in Phoenix Group’s share incentive plan</td>
<td>2,652^2</td>
<td>2,063^1</td>
</tr>
<tr>
<td><strong>Colleague engagement</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Average colleague engagement score*</td>
<td>75% (equivalent 7.3/10)^7,8</td>
<td>7.5^1</td>
</tr>
<tr>
<td>How Likely is it you would recommend Phoenix Group as a place to work</td>
<td>N/A^9</td>
<td>7.1^1</td>
</tr>
<tr>
<td>If you were offered the same job at another organisation, how likely is it you would stay at Phoenix Group?</td>
<td>N/A^9</td>
<td>7.1^1</td>
</tr>
<tr>
<td>Overall, how satisfied are you working at Phoenix Group?</td>
<td>N/A^9</td>
<td>7.6^1</td>
</tr>
<tr>
<td><strong>RIDDOR</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of reportable accidents under Reporting of Incidents, Disease and Dangerous Occurrence Regulations (‘RIDDOR’)^5</td>
<td>0</td>
<td>3</td>
</tr>
</tbody>
</table>


1 Full Group.
2 UK only.
3 UK Only excluding SunLife.
4 Data is not currently recorded for 24.6% (1,811 colleagues).
5 UK only.
6 Excludes workforce based in Germany/Austria.
7 Excludes ReAssure.
8 Based on different question set and calculation methodology.
9 N/A – not applicable as new question in 2021.
10 Data assure by EY. See page 68 for EY assurance statement.

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Phoenix Group Holdings plc Sustainability Report 2021
### Building a leading responsible business: Reducing the environmental impact of our operations

<table>
<thead>
<tr>
<th>Measure</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scope 1 and 2 emissions (tonnes of CO₂e) emissions (scopes 1+2) on a per floor area intensity (CO₂e/m²) – Location based</td>
<td>80kg</td>
<td>62kg</td>
</tr>
<tr>
<td>Emissions (Scopes 1+2) on a per full-time equivalent employee (FTE) intensity (CO₂e/FTE) – Location based</td>
<td>1.23</td>
<td>0.81</td>
</tr>
<tr>
<td>Percentage reduction in scope 1 and 2 emissions from occupied premises (per FTE)</td>
<td>N/A³</td>
<td>34%</td>
</tr>
<tr>
<td>Scope 3 emissions from leased property (energy sub-metered to tenants), business travel in employees’ cars, transmissions and distribution losses from electricity, employee homeworking emissions</td>
<td>5312</td>
<td>8207</td>
</tr>
<tr>
<td>Waste diverted away from landfill</td>
<td>100%²</td>
<td>100%</td>
</tr>
<tr>
<td>Participant in World Wide Fund for Nature’s Earth Hour</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Volume of waste diverted from landfill through Resource Donation programme</td>
<td>N/A³</td>
<td>41.53m³</td>
</tr>
<tr>
<td>Number of community partner beneficiaries in receipt of resource donations/loans</td>
<td>N/A³</td>
<td>17</td>
</tr>
</tbody>
</table>

1. N/A – not applicable as new metric in 2021.
2. Includes all our UK and German sites, excluding ReAssure.
3. Data assured by EY. See page 68 for EY assurance statement.

For full details on our energy use and carbon emissions please see the Streamlined Energy and Carbon Reporting (SECR) statement in our 2021 Annual Report and Accounts.

### Building a leading responsible business: Building a sustainable supply chain

<table>
<thead>
<tr>
<th>Measure</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage of key¹ suppliers engaged² on climate change</td>
<td>N/A³</td>
<td>84%</td>
</tr>
<tr>
<td>Signatory of UK Prompt Payment Code</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Percentage of key suppliers’ publicly reporting on Modern Slavery</td>
<td>95%</td>
<td>96%</td>
</tr>
</tbody>
</table>

1. Key suppliers include strategic (those that we work closely with due to the strategic nature of the services they provide), critical (suppliers where the goods or services provided is limited in the market and barriers to change are complex) and financially important with spend ≥£1m (suppliers which are numerous but where value to Phoenix is significant).
2. Engaged is defined as having completed Phoenix Sustainable Supply Chain Climate Change Standards gap analysis, outlining their progress on their climate change strategy including carbon reduction targets and procurement of renewable energy and or participated in the CDP suppliers survey.
3. N/A – not applicable as new metric in 2021.
4. Data assured by EY. See page 68 for EY assurance statement.
## ESG key performance indicators continued

### Building a leading responsible business: Supporting our communities

<table>
<thead>
<tr>
<th>Measure</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Signatory of Vision for Literacy Business Pledge</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Member of Business in the Community</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Pennies from Heaven Award</td>
<td>Gold</td>
<td>Gold</td>
</tr>
<tr>
<td>Number of volunteering hours donated in local community</td>
<td>1,747¹</td>
<td>2,672¹</td>
</tr>
<tr>
<td>Engagement in volunteering programme</td>
<td>5.3%²</td>
<td>5.1%¹</td>
</tr>
<tr>
<td>Percentage of colleagues involved in community engagement programmes</td>
<td>N/A²</td>
<td>35%²</td>
</tr>
<tr>
<td>Number of beneficiaries reached across Community Engagement programme</td>
<td>N/A³</td>
<td>263</td>
</tr>
<tr>
<td><strong>Total donations benefiting all charities across the year – Sterling</strong></td>
<td><strong>£2,141,605</strong></td>
<td><strong>£1,008,767</strong></td>
</tr>
<tr>
<td>Total donations colleagues have raised for registered charities – Sterling</td>
<td>N/A³</td>
<td>£389,247</td>
</tr>
<tr>
<td>Total donations from Group to registered charities – Sterling</td>
<td>N/A²</td>
<td>£618,827</td>
</tr>
<tr>
<td>Total donations from suppliers/third parties to registered charities – Sterling</td>
<td>N/A³</td>
<td>£694</td>
</tr>
<tr>
<td><strong>Total donations benefiting all charities across the year – Euros</strong></td>
<td><strong>€44,233</strong></td>
<td><strong>€67,178</strong></td>
</tr>
<tr>
<td>Total donations colleagues have raised for registered charities – Euros</td>
<td>N/A³</td>
<td>€51,178</td>
</tr>
<tr>
<td>Total donations from Group to registered charities – Euros</td>
<td>N/A³</td>
<td>€16,000</td>
</tr>
</tbody>
</table>

1. Full Group minus Germany/Austria.
2. Full Group.
3. N/A – not applicable as new metric in 2021.
4. Full Group minus Germany/Austria/ReAssure and Ark Life.

* Data assured by EY. See page 68 for EY assurance statement.

Please note: The following tables demonstrate charitable donations split by Region/Scheme, this is not additional funding to those detailed above.

#### Donations to Phoenix Group’s UK Corporate Charity Partner

<table>
<thead>
<tr>
<th>Measure</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Donations to Phoenix Group’s UK corporate charity partner – Sterling</td>
<td>N/A²</td>
<td>£330,284</td>
</tr>
<tr>
<td>Total donations colleagues have raised for Samaritans (UK) – Sterling</td>
<td>N/A²</td>
<td>£148,852</td>
</tr>
<tr>
<td>Total donations from Group to Samaritans (UK) – Sterling</td>
<td>N/A²</td>
<td>£180,739</td>
</tr>
<tr>
<td>Total donations from suppliers/third parties to Samaritans (UK) – Sterling</td>
<td>N/A³</td>
<td>£694</td>
</tr>
</tbody>
</table>

#### Donations to Phoenix Group’s European Corporate Charity Partners

<table>
<thead>
<tr>
<th>Measure</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Donations to Phoenix Group’s European corporate charity partners – Sterling</td>
<td>£127,160</td>
<td>£21,369</td>
</tr>
<tr>
<td>Donations to Phoenix Group’s European corporate charity partners – Euros</td>
<td>€35,433</td>
<td>€43,097</td>
</tr>
</tbody>
</table>
### Building a leading responsible business: Supporting our communities continued

<table>
<thead>
<tr>
<th>Measure</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total donations colleagues have raised for ALONE (Ireland) – Euros</td>
<td>€34,223</td>
<td>€26,407</td>
</tr>
<tr>
<td>Total donations from Group to ALONE (Ireland) – Sterling</td>
<td>£80,126</td>
<td>£20,940</td>
</tr>
<tr>
<td>Total donations colleagues have raised for Hilfe für krebskranke Kinder Frankfurt e.V. (Germany) – Euros</td>
<td>€1,210</td>
<td>€690</td>
</tr>
<tr>
<td>Total donations from Group to Hilfe für krebskranke Kinder Frankfurt e.V. (Germany) – Euros</td>
<td>Nil</td>
<td>€10,000</td>
</tr>
<tr>
<td>Total donations colleagues have raised for Österreichische Krebshilfe Wien (Austria) – Euros</td>
<td>Nil</td>
<td>€6,000</td>
</tr>
<tr>
<td>Total donations from Group to Österreichische Krebshilfe Wien (Austria) – Euros</td>
<td>Nil</td>
<td>£37,824</td>
</tr>
<tr>
<td>Total donations from Group to Österreichische Krebshilfe Wien (Austria) – Sterling</td>
<td>Nil</td>
<td>£354</td>
</tr>
</tbody>
</table>

#### Donations through colleague raise and match scheme

<table>
<thead>
<tr>
<th>Measure</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total donations colleagues have raised through Raise and Match (not including corporate charity partners) – Sterling</td>
<td>£140,073</td>
<td>£59,664</td>
</tr>
<tr>
<td>Total donations from Group for Raise and Match (not including corporate charity partners) – Sterling</td>
<td>£4,392</td>
<td>£22,713</td>
</tr>
</tbody>
</table>

#### Donations through straight-forward colleague donations

<table>
<thead>
<tr>
<th>Measure</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total donations colleagues have raised through straight-forward donations (not including corporate charity partners) – Sterling</td>
<td>N/A³</td>
<td>£180,731</td>
</tr>
<tr>
<td>Total donations from Group for straight-forward donation matching (not including corporate charity partners) – Sterling</td>
<td>N/A³</td>
<td>£171,973</td>
</tr>
<tr>
<td>Total donations colleagues have raised through straight-forward donations (not including corporate charity partners) – Euros</td>
<td>N/A³</td>
<td>€1,368</td>
</tr>
</tbody>
</table>

#### Donations in lieu of volunteering to registered charities

<table>
<thead>
<tr>
<th>Measure</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total donation from Group in lieu of colleague volunteering in own time for registered charity – Sterling</td>
<td>N/A³</td>
<td>£2,400</td>
</tr>
</tbody>
</table>

#### Donations from Phoenix Group in support of disasters and COVID-19 pandemic

<table>
<thead>
<tr>
<th>Measure</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total donation from Group in support of COVID-19/Disasters across the year – Sterling</td>
<td>N/A³</td>
<td>£140,000</td>
</tr>
</tbody>
</table>

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1  Full Group minus Germany/Austria.
2  Full Group.
3  N/A – not applicable as new metric in 2021.
Independent assurance statement to Phoenix Group Holdings PLC (‘Phoenix Group’) management

Scope
We have been engaged by Phoenix Group to perform a ‘limited assurance engagement,’ as defined by International Standards on Assurance Engagements, hereafter referred to as the engagement, to report on Phoenix Group’s selected data (the “Subject Matter”) indicated with a ‘^’ symbol on pages 17, 25, 29, 40 and 62-66 in Phoenix Group’s Sustainability Report 2021 (the “Report”).

We have only sought evidence to support the 2021 performance data. We do not provide conclusions on any other data from prior years. Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the Report, and accordingly, we do not express a conclusion on this information.

Criteria applied by Phoenix Group
In preparing the Subject Matter, Phoenix Group applied the following criteria: Phoenix’s ‘Framework for Sustainability Classification’ (as referenced on page 23); Phoenix’s approach to defining ESG data analytics (as noted on page 62); Partnership for Carbon Accounting Financials (PCAF) methodology (as referenced on page 62); Phoenix’s Combined Group customer satisfaction score methodology (as set out on page 62); GHG Protocol Corporate Standard (revised edition); and Phoenix’s Sustainable Supply Chain Climate Change Standards (as referenced on page 65) (collectively the ‘Criteria’).

Phoenix Group’s responsibilities
Phoenix Group’s management is responsible for selecting the Criteria, and for presenting the Subject Matter in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the Subject Matter, such that it is free from material misstatement, whether due to fraud or error.

EY’s responsibilities
Our responsibility is to express a conclusion on the presentation of the Subject Matter based on the evidence we have obtained.

We conducted our engagement in accordance with the International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information (‘ISAE 3000’ Revised), and the terms of reference for this engagement as agreed with Phoenix Group on 6th December 2021. Those standards require that we plan and perform our engagement to express a conclusion on whether we are aware of any material modifications that need to be made to the Subject Matter in order for it to be in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.

Our independence and quality control
We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants and ISQC1, and have the required competencies and experience to conduct this assurance engagement.

EY also applies International Standard on Quality Control 1, Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Description of procedures performed
Procedures performed in a limited assurance engagement vary in nature and timing from and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management’s internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Subject Matter and related information and applying analytical and other appropriate procedures.

1 Parts A and B of the IESBA Code, and the International Standard on Quality Control 1 (ISQC1).
Assurance statement continued

Our procedures included:

• Interviewed a selection of specialists responsible for managing environmental, people, responsible investment, supplier and community performance in the business, and for collating and checking sustainability data for internal and public reporting purposes. We did this to obtain an understanding of the internal control environment for the data, performance of KPIs in the period and reporting processes both at a group and site level.

• Checked a selection of management documentation and reporting tools, including guidance documents, to understand internal controls, reporting processes and policies to further inform our assurance approach and procedures.

• Performed analytical reviews to understand trends in the data and whether they align to our expectations based on our knowledge gained from the procedures above.

• Reperformed calculations to check the accuracy of the data collation and KPIs reported.

• Tested underlying documentation for a sample, based on professional judgement, of site-level, environmental, health and safety, and supplier data points to determine the accuracy and completeness of data points within the data sets.

• Evaluated the suitability and application of the Criteria and that the Criteria have been applied appropriately to the Subject Matter.

• Challenged the validation and collation processes undertaken by Phoenix management in relation to the Subject Matter.

• Examined the Report for the appropriate presentation of the Subject Matter, including the discussion of limitations and assumptions relating to the data presented.

We also performed such other procedures as we considered necessary in the circumstances.

Conclusion
Based on our procedures and the evidence obtained, we are not aware of any material modifications that need to be made to the Subject Matter as of 31st December 2021, in order for it to be in accordance with the Criteria.

Restricted use
This report is intended solely for the information and use of Phoenix Group management and is not intended to be and should not be used by anyone other than those specified parties.

Ernst & Young LLP
11 March 2022
London
Feedback
We welcome feedback, comments and questions from our readers. Please email them to:
sustainability@thephoenixgroup.com

News and updates
In line with our Sustainability Programme and our commitment to reduce our environmental impact, you can view key information on our website:
thephoenixgroup.com

To stay up-to-date with Phoenix Group news and other changes to our site’s content, you can sign up for email alerts, which will notify you when content is added.
https://www.thephoenixgroup.com/site-services/email-alerts

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