



Half year 2025 results

Phoenix Group Holdings plc

8 September 2025



Standard Life
Part of Phoenix Group

SunLife
Part of Phoenix Group

PHOENIX LIFE
Part of Phoenix Group

ReAssure
Part of Phoenix Group

Thank you, Claire, and good morning everyone, and welcome to Phoenix's 2025 Half Year Results.

Agenda

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Progress on our 3-year strategy
Andy Briggs, Group Chief Executive Officer

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Continued momentum towards our 2026 targets
Nicolaos Nicandrou, Group Chief Financial Officer

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Looking ahead
Andy Briggs, Group Chief Executive Officer

Today, I'll start with a summary of the progress we've made. Nic will then take you through the first half financial performance, and I will close with an overview of some of the strategic developments we'll be delivering over the coming months before taking your questions.

Progress on our 3-year strategy

Andy Briggs
Group Chief Executive Officer

 Phoenix

Successfully executing on our vision to become the UK's leading retirement savings and income business



Strong execution of strategic priorities



Meeting more customer needs and driving growth



Balance sheet pivot beginning to show



On track to deliver our 2026 targets



Uniquely positioned to capture momentum



Regulatory and political tailwinds to a structurally growing market

Delivering on our strategy supports strong shareholder returns enabled by our progressive and sustainable ordinary dividend policy⁽¹⁾

See Appendix 23 for footnotes

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Last March, I set out our vision to become the UK's leading retirement savings and income business, helping more people on their journey to and through retirement. Today marks the halfway point of our three-year strategy, and there are three key messages I'd like you to take away.

The first is that we're making strong progress on executing against our strategic priorities. We're meeting more of our customers' needs and driving organic growth.

Second, I'm particularly pleased that this set of results evidences that the balance sheet pivot is beginning to show, so we can confidently say we're on track to deliver all of our financial targets.

And third, what I'm most excited about is that we're uniquely positioned to capture the momentum in our structurally growing markets.

Delivering our vision through our strategic priorities

 Grow	 Optimise	 Enhance
Priority: Meeting more of our existing customer needs and acquiring new customers	Optimising our in-force business and balance sheet	Transforming our operating model and culture
1H progress: ✓ Engagement - Received FCA approval for our in-house advice proposition ✓ Products - Launched our Guaranteed Lifetime Income plan	✓ Asset management - In-housing c.£20bn of annuity-backing assets ✓ Deleveraging - Enabled by excess cash generation	✓ Migrations - 0.8m policies successfully migrated to TCS BaNCS ✓ Cost savings - Strategic partnership with Wipro to cover 1.9m policies

Progress towards achieving our vision is delivered through our strategic priorities of Grow, Optimise and Enhance. We've achieved a number of material strategic milestones already this year.

To Grow, we need the products which meet the needs of our customers and build out our ability to engage with them both directly and through advisors. From an engagement perspective, it's great that we've received approval from the FCA for our in-house advice proposition, which we'll launch later this year. And from a product perspective, we've launched the Standard Life Guaranteed Lifetime Income Fund, completing our full product suite. So we're now able to help customers at every stage of their retirement journey from when they first start saving right into later life.

Within Optimise, we've taken a material step forward on the journey to in-housing the asset management of annuity backing assets that I spoke to you about back in March, and we're currently preparing to in-house a further £20bn, which I'll come on to later.

Lastly, Enhance. Key here is completing the migration of customer administration to modern, technology-enabled platforms. We've migrated a further 0.8 million policies onto the TCS BaNCS platform in the first half.




We also entered into a new strategic partnership with Wipro to manage an additional 1.9 million policies. This delivers an acceleration in our cost savings run rate and increases execution certainty, as we are no longer migrating these policies.

Progress against our strategic priorities is translating directly into attractive financial outcomes.

On track to deliver our 2026 financial targets

1H25 progress

Our 3-year targets

 Cash	£705 million Operating Cash Generation 'OCG'	On track	Expected to grow at mid-single digit % p.a. from £1.4bn achieved in FY 2024
	£784 million Total cash generation		£5.1bn of total cash generation across 2024-2026
 Capital	175%⁽²⁾ Shareholder Capital Coverage Ratio 'SCCR'	On track	140-180% SCCR operating range
	34%⁽³⁾ Solvency II leverage ratio		c.30% ⁽³⁾ Solvency II leverage ratio target by end of 2026
 Earnings	£451 million IFRS adjusted operating profit	On track	c.£1.1bn IFRS adjusted operating profit in 2026
	£100 million annualised run-rate cost savings		£250m of annual run-rate cost savings by end of 2026

Interim dividend per share of 27.35p (1H24: 26.65p)

See Appendix 23 for footnotes

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And hence, our first half performance has been strong across our financial framework of cash, capital, and earnings.

Operating momentum is excellent, with 9% growth in operating cash generation, and 25% growth in IFRS-adjusted operating profit.

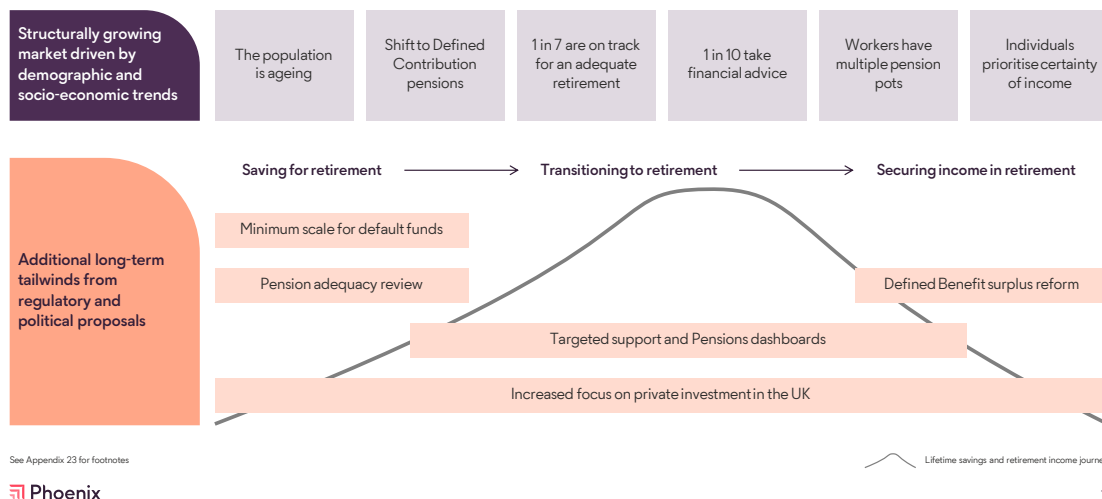
And I'm particularly pleased with capital, where our solvency capital coverage ratio grew from 172% at the end of last year to 175% at the half year, even after retiring £200m of debt.

Our leverage ratio improved from 36% to 34%, taking us a step closer to our 30% target.

And we are materially accelerating delivery of our cost savings target.

So, firmly on track across the board.

The c.£3.6trn⁽⁴⁾ UK retirement savings and income market is structurally growing with regulatory and political tailwinds that will further benefit Phoenix



The UK retirement savings and income market is already huge, with over £3.5tr of stock. It's also structurally growing, driven by a range of demographic and socio-economic trends.

Summarising the grey boxes across the top, there are two themes I'll draw out. Firstly, the structural growth is driven by the ageing population and the shift from defined benefit to defined contribution.

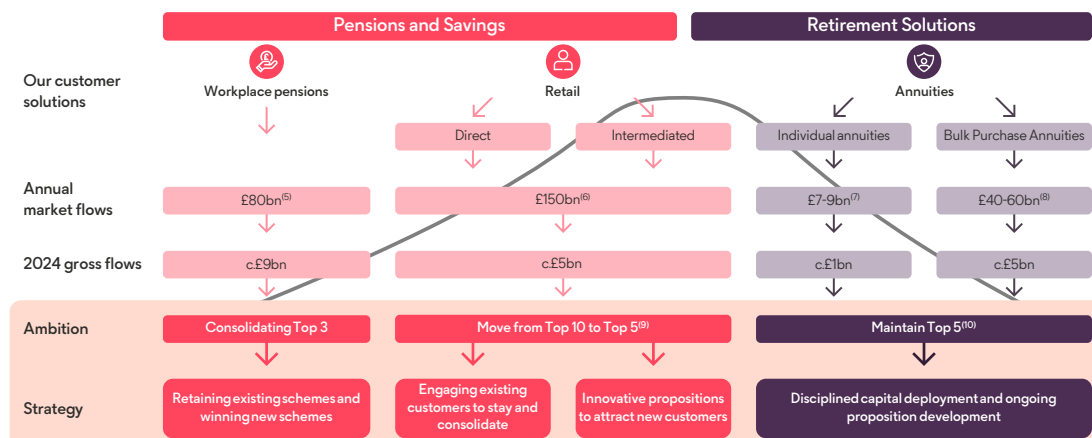
Secondly, people simply are not on track to have saved enough for a decent standard of living in retirement, and most are doing this without any advice or guidance. We feel passionate about helping everyone achieve financial security in retirement, and it's a huge opportunity for us.

We will continue to advocate for the changes that will make the biggest difference to our customers. So, I'm really encouraged by recent regulatory and political proposals that create additional tailwinds to our industry, as outlined in the orange boxes on the slide. These will accelerate the existing structural growth drivers in the market.

As a top three player in workplace, we're already well in excess of the £25bn minimum threshold requirement for default funds as set out in the Government's Pension Scheme Bill. So, we are ready to take on business from corporates who need a secure provider.

We think the pension adequacy review must raise savings levels through an increase in auto-enrolment contribution rates to help close the pension savings gap. And the introduction of targeted support and pensions dashboard has the potential to be a game-changer for engaging customers and helping them make better financial decisions. We are well positioned to benefit from these structural market drivers.

Our clear strategic priorities enable us to capitalise on huge market opportunities and achieve our growth ambitions



See Appendix 23 for footnotes

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Lifetime savings and retirement income journey

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Turning to slide 8, the top of the slide shows how those market trends are driving substantial flows across the savings and retirement market.

The bottom half of the slide sets out our ambition and strategy, where our business mix is diversified and balanced across the key markets we operate in. We are the only at-scale UK player focused solely on the retirement savings and income market via Workplace, Retail and Annuities. And we're already taking a good share of flows in each, but with plenty of upside potential.

Specifically in Workplace, our ambition is to consolidate our top three position as that market grows strongly and consolidates down.

In Retail, we're looking to move from a top ten to a top five position, and we'll continue to focus on this.

And in Retirement Solutions, we aim to maintain a top five position.

These clear ambitions are underpinned by robust strategies supported by the strength of our franchise, brand, customer base and product set.

We are well-positioned to win share in growing markets

Group competitive advantages...



...provide the platform to win across our chosen markets



Essential to a robust strategy is being crystal clear on how we are well positioned to win share in these growing markets, and this starts with the three competitive advantages of the Group.

Customer engagement is key, and with one in five UK adults being customers of Phoenix, including a large existing workplace book, we have an exceptional level of customer access. This gives us deep customer insights which, in turn, supports how we develop and design propositions.

We also benefit from capital efficiency from our diversified business model, comprising both capital-light fee-based and capital-utilising spread-based businesses. And we have cost advantages underpinned by our scale with 12 million customers, which have been achieved by leveraging technology across our business. This will increase further through our cost savings programme.

These three group advantages then directly translate to the specifics needed in our customer offerings in each market.

Taking Workplace as an example, on the bottom left of the slide, where we're one of the top three players in the market. I regularly meet our employee benefit consultant partners, and they consistently tell me that we win by having excellent customer engagement through offering leading employer propositions, as we truly understand what customers, both employers and their employees, want and need.

Offering excellent service is also key to winning. When I was in Edinburgh at a Workplace pitch last week, it was clear that providing their employees with exceptional service is critical. Our ability to succeed here is underpinned by our strong digital capabilities, which include our market-leading app, rated 4.7 stars on the

App Store.

Alongside this, our capital and cost efficiency and inherent scale mean we can offer our products at competitive prices while delivering attractive margins.

Our Pensions and Savings propositions help customers journey to and through retirement

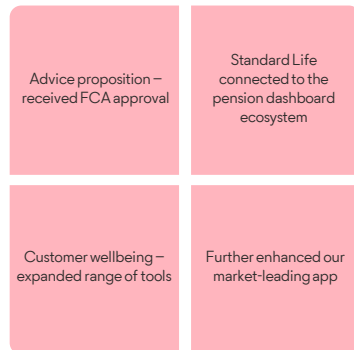
£190bn AUA

Our capital-light fee-based Pensions and Savings business

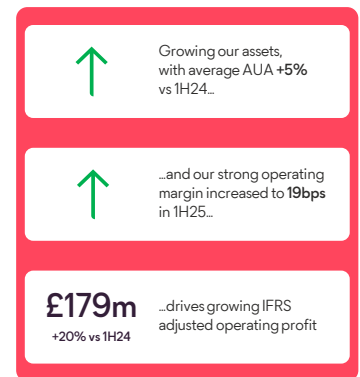
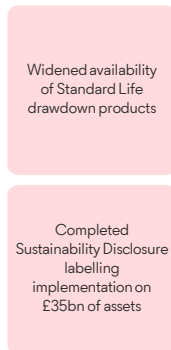
Our investments mean we continue to win...

...and deliver strong financial performance

Engagement



Product



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Let me now touch on some of the activity the teams have been doing to enable us to keep winning in these markets, from both an engagement and product perspective, starting with Pensions & Savings.

Engagement is key here, and on this slide, I call out the imminent launch of our Retail advice proposition that I mentioned earlier. So, as we start to roll out trusted in-house advice, we'll provide customers with a compelling reason to stay with Standard Life. To be clear, we'll start small here and scale over time.

In partnership with digital engagement specialist, Life Moments, we've launched Family Finance Hub. And Standard Life also completed its connection to the pension dashboard ecosystem, both being examples of ways we've looked to empower our customers and increase engagement with them.

Testament to our commitment to excellent service, we are the first Workplace provider to win the 'Master Trust treble' across the Corporate Advisor, the Pensions Age and the Professional Pensions awards. I'm really proud of the team for this external recognition.

From a financial perspective, our Pensions & Savings business is simple. It's about growing assets, which we've done, and it's about expanding margins, which we've also done. Together, this delivered 20% growth in operating profit.

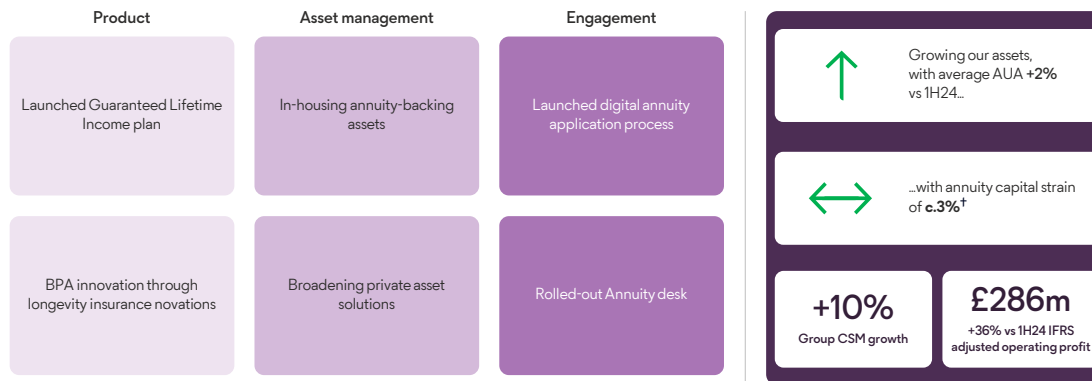
Our Retirement Solutions help customers secure income certainty in retirement

£39bn AUA

Our capital-utilising spread-based Retirement Solutions business

Our investments mean we continue to win...

...and deliver strong financial performance



[†] Post Capital Management Policy, for business written and at an exclusive stage year to date

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We've also continued to develop winning products for customers in Retirement Solutions. We launched the Standard Life Guaranteed Lifetime Income plan for advisors on the Fidelity platform in March.

Separately, we've enhanced our BPA offering. Many DB schemes have existing longevity reinsurance, and we've leveraged our extensive expertise to novate these into a BPA transaction. What does this mean? It means we're better placed to win by helping corporates with their broad range of requirements. As proof, this, among other innovations, enabled us to complete our largest ever BPA deal in July, worth £1.9bn. This particular transaction was the in-house scheme of a large employee benefit consultant, so a really positive testament to our proposition.

The other item I'd call out on this slide is the launch of the UK's first fully digital, signature-free application for annuities. As you'll know from your own experiences, having a hassle-free digital experience is increasingly important, so we're always looking at ways to make our customer journeys easier.

Looking at the financials, Nic will come on to the actual annuity volumes in the first half, which were relatively modest, but we've now secured over £3bn of BPAs with individual annuities performing strongly too.

Of course, our focus remains on value, not volume, and our execution here enabled 36% growth in profits.

Evolving our asset management approach to optimise customer outcomes and enhance returns

Pensions and Savings £190bn AUA	Retirement Solutions £39bn AUA
Asset management strategy: Maintain existing outsourced model for policyholder asset management	Asset management strategy: Evolving to predominantly in-house management of annuity-backing assets
Progress: Consolidating the number of asset managers we work with, Aberdeen remains our key asset management strategic partner	Progress: Currently managing £5bn in-house, preparing to in-house further c.£20bn of annuity-backing assets
Outcomes: <ul style="list-style-type: none">✓ Supports delivery of fund simplification management actions✓ Improves value for money for customers	Outcomes: <ul style="list-style-type: none">✓ Supports delivery of annuity portfolio re-optimisation management actions✓ Improves cost efficiency

To optimise customer outcomes and enhance returns, we've been evolving our approach to asset management. Historically, we've had an outsourced operating model for all assets.

For our Pensions & Savings business, which represents the majority of our assets, this strategy is unchanged. Moving forward, we expect to consolidate the number of asset managers we partner with, and Aberdeen continues to be our key asset management strategic partner, potentially attracting a greater share of these assets.

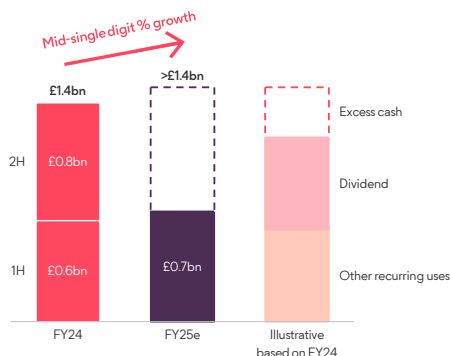
As signalled in March, our strategy for the management of the annuity-backing assets is evolving to one which is predominantly in-house. We will leverage the internal capabilities we have built to manage public credit and private assets, alongside partnering to source differentiated and unique private assets. We're now managing £5bn of our £39bn portfolio in-house and are preparing to in-house a further £20bn.

To be clear, this in-housing only covers our annuity backing assets. We have no intention of becoming a fully-fledged asset manager, nor are we looking to manage third-party assets. But we're excited about the benefits this brings, by underpinning the delivery of management actions in annuity portfolio re-optimisation, and with greater cost efficiency.

Strategic execution creates financial flexibility and options for future capital allocation

Sustainable and growing OCG more than covers recurring uses...

...building financial strength and flexibility



- ✓ Expect mid-single digit % OCG growth p.a. going forward
- ✓ Progressive and sustainable dividend well covered and secure⁽¹⁾
- ✓ £300m or more p.a. excess cash to deploy with current focus on deleveraging
- ✓ Beyond 2026 excess cash will be allocated to the highest returning opportunity according to our capital allocation framework

See Appendix 23 for footnotes

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Our strategic execution is creating financial flexibility for the future.

This chart focuses on operating cash generation. This is the most important way to look at our financials, because it's the sustainable surplus generation in our life operating companies, that's also remitted as dividends up to the Hold Co. Hence, it's the primary driver of shareholder dividends.

We reiterate our ongoing target of mid-single-digit percentage growth for the full year and going forward.

This level of cash generation not only means that our dividend of circa £550m is well-covered and secure but also generates at least £300m of excess cash per annum, after financing our recurring uses. We will deploy this excess in accordance with our capital allocation framework, with our current focus continuing to be on deleveraging, as we remain laser-focused on achieving our 30% target.

As you would expect, the Board would look to allocate capital to the highest returning opportunity, and we are excited about the optionality our strategy is creating. With that, I'll hand over to Nic who will talk in detail about our financial performance. Nic.

Continued momentum towards our 2026 targets

Nicolaos Nicandrou
Group Chief Financial Officer

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Thank you, Andy. Good morning, everyone, and may I extend my own welcome to all of you joining us today.

Successful execution of our strategic priorities is driving improved business performance



Strong operational performance...

- ✓ Profitable growth in Pensions and Savings and Retirement Solutions
- ✓ Continued execution of recurring management actions
- ✓ Accelerated delivery of cost saving initiatives

...is driving value creation in our business...

- ✓ Growth in Operating Cash Generation of 9% YoY
- ✓ Growth in net recurring capital generation with 4ppts SCCR⁽²⁾
- ✓ Growth in IFRS adjusted operating profit of 25% YoY

...supporting the emerging balance sheet pivot

- ✓ Deleveraging within our control given level of excess cash generation
- ✓ Improvement in capital strength
- ✓ No practical limitation to dividend payments despite hedging accounting mismatch

On track to achieve all 2026 targets

See Appendix 23 for footnotes



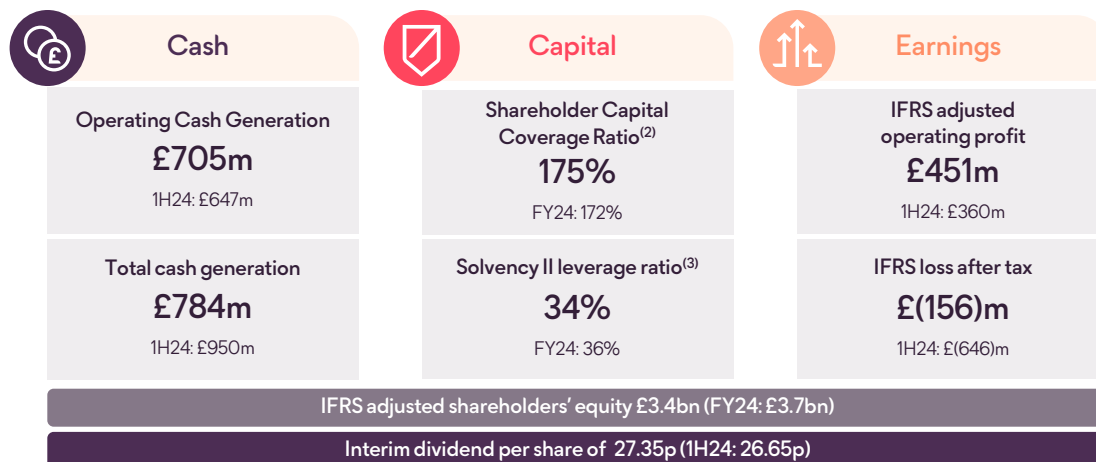
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I am pleased to be reporting strong operational performance in the first half, evidenced by the profitable growth in both our Pension & Savings and our Retirement Solutions operations, by the execution of sizable recurring management actions, and by the acceleration of our cost savings initiatives.

This operational momentum is driving strong value creation, with improvements across all three pillars of our financial framework, with growth in operating cash generation of 9%, growth in net recurring capital generation of 4 percentage points, and growth in IFRS operating profit of 25%.

It is also supporting the emerging balance sheet pivot, with both leverage and overall solvency capital levels improving. This means that we are firmly on track to achieve all of our 2026 targets.

Strong financial performance with positive movement on key metrics



See Appendix 23 for footnotes



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Turning to the financial highlights, operating cash generation grew to £705m, and we delivered total cash generation of £784m.

The shareholder solvency coverage ratio increased to 175%, remaining in the top half of our operating range, and our Solvency II leverage ratio improved to 34%.

IFRS operating profit increased to £451m, and whilst the IFRS loss after tax was £156m, the impact of this loss was cushioned by CSM growth of 10%, with IFRS adjusted shareholders equity closing at £3.4bn.

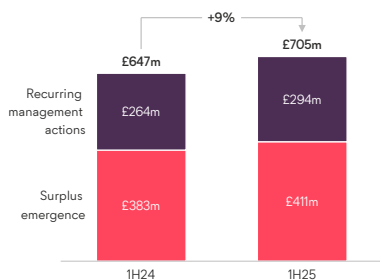
In line with our policy, the Board declared a 2.6% increase in the interim dividend to 27.35 pence per share.

Let me now take you through these results in more detail.

£0.7bn Operating Cash Generation created excess cash of £0.2bn



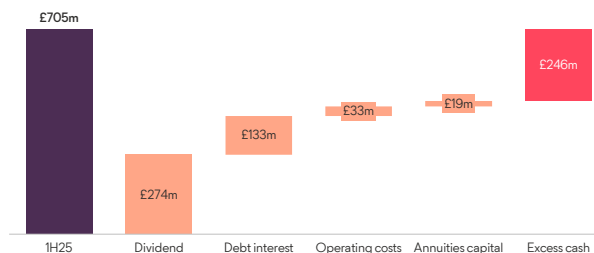
9% growth in OCG to £705m



Indicative split of 1H25 OCG:

- c.£440m from Retirement Solutions
- c.£165m from Pensions and Savings

OCG created £246m excess cash



- 1H25 excess cash delivery elevated owing to timing of BPA deals, resulting in lower annuities investment in 1H
- On-track to be at least in line with the c.£0.3bn FY24 outcome

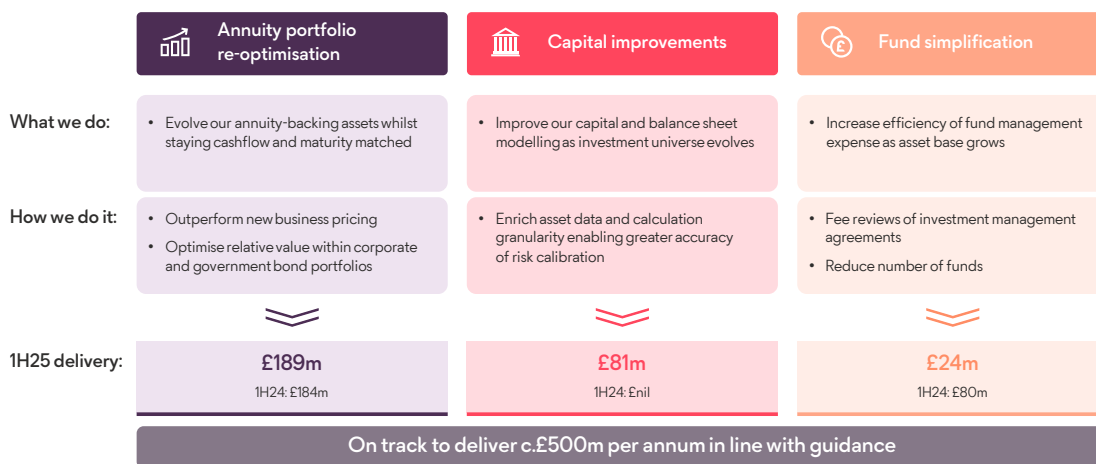
Operating cash generation, shown on the left, was up 9% to £705m, supported by growth in surplus emergence to £411m, and an increase in recurring management actions to £294m.

I am committed to providing you with the segmental OCG analysis by business and will do so with the full year results. For now, I continue to share an indicative split.

As you can see, the contribution from Retirement Solutions is greatest, given the capital-heavy nature of this business. The contribution from the capital-light Pensions & Savings business is lower, but is growing fast, benefiting from new business flows and cost savings.

On the right, you can see that operating cash generation more than covered our dividends and recurring uses, generating excess cash of £246m in the period. This result has been flattered by the relatively low level of annuity investment in the first half, reflecting timing of BPA deals. At the full year, we expect excess cash to be at least in line with the £0.3bn reported last year.

Delivered £294m recurring management actions



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Turning next to recurring management actions, these represent repeatable sources of value that we deliver year after year across our business.

In any given period, these will vary in quantum between the three categories we first highlighted in March, which are repeated on this slide.

On the left, the largest component relates to Annuity portfolio yield re-optimisation actions, which generated £189m of OCG in the first half. By way of reminder, we capture such opportunities by making frequent small-sized trades through market cycles, which optimise the risk-adjusted return of our portfolio without taking on more risk, whilst remaining duration and cash flow matched.

We delivered £81m of OCG through capital improvement actions, representing a longstanding Phoenix capability of extracting recurring value from model and data improvements, primarily from our capital-heavy business.

On the right, you can see the £24m OCG contribution, from ongoing fund simplification.

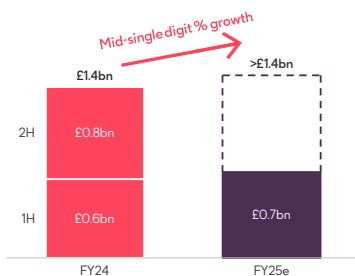
In the first half, we closed 65 out of a total of around 5,000 funds, delivering further operational and service fee reductions. This component represents an enduring source of value as we continue to simplify our fund range with further fund closures expected in the second half.

Our half year performance puts us firmly on track to deliver recurring management actions in the order of £500m at the full year, in line with our guidance.

On track to deliver both our OCG and 3-year TCG targets



On track for mid-single digit % OCG growth per annum

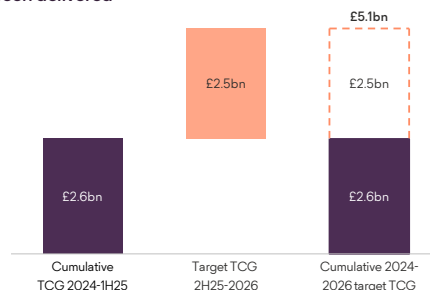


- OCG result reflects business growth and strong delivery of recurring management actions
- More even half-on-half OCG profile going forward compared to 2024, which was 2H weighted

[†] See Appendix 2 for sources and uses

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At the half-way stage, >50% of the 2024-2026 £5.1bn TCG target has been delivered

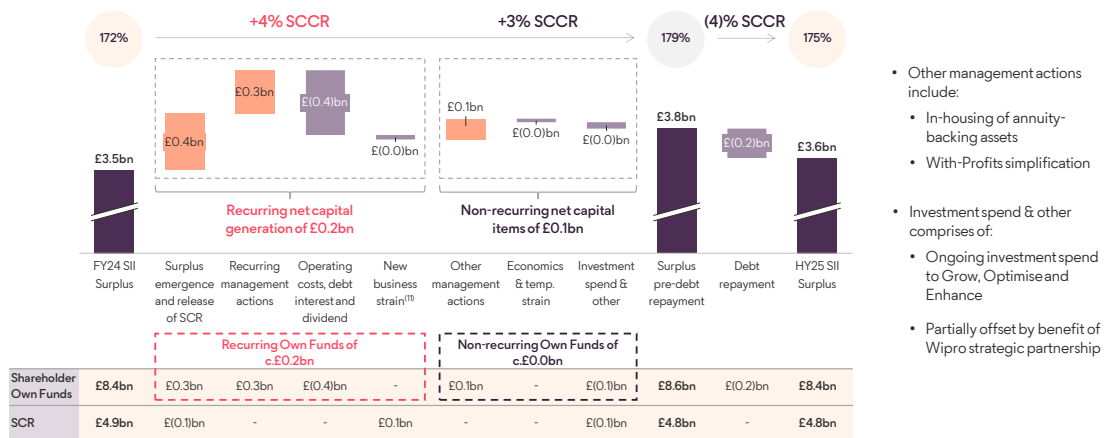


- £5.1bn TCG gives substantial flexibility to address leverage over 2025-2026 period, £0.65bn excess cash generated[†]
- Target of £5.1bn underpinned by OCG growth and delivery of remaining non-recurring items

Having delivered £705m of OCG in the first six months, going forward, we expect a more even half-on-half profile compared to 2024, which was second-half weighted, and so we reiterate the mid-single-digit percentage annual OCG growth guidance.

On the right, you can see that total cash generation over the last 18 months of £2.6bn is also tracking towards our £5.1bn cumulative three-year target.

Balance sheet pivot has begun with growth in Solvency II surplus and coverage ratio



See Appendix 23 for footnotes
Numbers may not sum due to rounding

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Turning from cash to capital, I set out on this slide the shareholder solvency walk, which I will step through in some detail.

Looking at the two bookends of the chart, you can see that we increased both our solvency surplus to £3.6bn and our solvency coverage ratio to 175% after repaying £200m of debt in February.

In between these bookends, we analyse the various recurring and non-recurring components of the walk and show the corresponding own funds and SCR values in the table below.

You will see that our recurring net capital generation, represented by the items grouped in the top left box of the chart, was positive £0.2bn, equivalent to 4 percentage points of solvency coverage ratio.

The corresponding recurring Own Funds generation, shown in the bottom left box, was also positive £0.2bn, supporting the favourable evolution of our leverage ratio.

The items grouped in the top right box show a net positive generation from non-recurring items of £0.1bn.

Stepping through each component in turn. Other management actions were £0.1bn positive and include benefits arising from two sources – the first relates to the expense savings from in-housing annuity-backing assets, and the second results from selling the shareholders' 10% share of future income in one of our 90/10 funds to the estate of this fund.

We have initiated a programme covering 12 with-profit funds which, over the next two years, will release

total surplus of around £150m. There is more detail in the appendix for those who are interested.

Economics and temporary strain were neutral overall. Our hedging strategy delivered as expected, producing a £0.1bn negative, which was offset by the unwind of the annuity temporary strain that we carried over from Full Year 2024.

The investment spend, another component, reflects continued spending on our investment programme, offset by the beneficial impact of the Wipro strategic partnership, which has accelerated the start point from which the lower per policy administration charges apply on the 1.9 million impacted policies.

Before leaving the slide, I would note that the capital improvement in the period is flattered by the timing of BPA deals. By way of illustration, if we had written the same BPA volumes as in the first half of 2024, the coverage ratio would have been around three points lower, reflecting both the day one capital investment and the related temporary strain. Notwithstanding this, the underlying capital improvement in the first half remains strong.

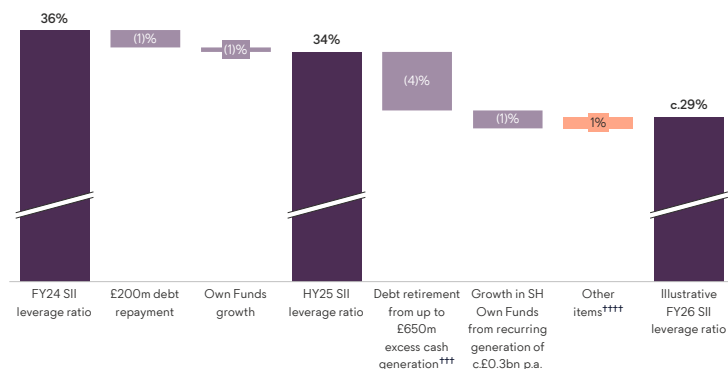
Leverage ratio improved to 34% and remains on track for c.30% target



Improved SII leverage ratio

	FY24	1H25
SII leverage ratio	36%	34%
=		
Debt	£3.7bn [†]	£3.6bn [†]
÷		
Regulatory Own Funds	£10.2bn [†]	£10.4bn [†]

Illustrative path to c.30% SII leverage ratio target by the end of 2026^{††}



[†] After FX swap value

^{††} Numbers may not sum due to rounding

^{†††} Debt retirement subject to regulatory approval

^{††††} Other items includes growth in Own Funds from remaining non-recurring management actions, partially offset by remaining investment spend and With-Profits run-off

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Turning to leverage, we made a clear commitment to bring this ratio down to 30% by the end of 2026. Leverage improved to 34% in the period, supported by the £200m debt repayment and the growth of regulatory-owned funds reflecting the drivers that are covered in the previous slide.

We remain firmly in control of our path to 30%, supported by the £650m of excess cash that we expect to generate over the next 18 months.

As I said before, the path to 30% will not be linear and deleveraging will be managed within the upper half of our 140% to 180% operating range.

On track to reach 2026 IFRS adjusted operating profit target of c.£1.1bn following 25% growth YoY



	1H24	1H25	YoY % growth
Pensions and Savings	£149m	£179m	+20%
Retirement Solutions	£210m	£286m	+36%
Europe and Other	£50m	£41m	(18)%
With-Profits	£3m	£4m	+33%
Corporate Centre	£(52)m	£(59)m	(13)%
IFRS adjusted operating profit	£360m	£451m	+25%

- Growth in Group AUA further supported by business trading performance
- Higher CSM release and further value added by Phoenix Asset Management
- Focus on cost efficiency, delivered £100m run-rate savings of which £40m earned in period
- More even half-on-half IFRS adjusted operating profit profile going forward compared to 2024, which was 2H weighted

Our IFRS adjusted operating profit increased by 25%, with our two main business divisions growing at a strong double-digit rate. I will come back to their respective performances shortly.

The overall increase to £451m is supported by business growth, which has driven our asset base higher and increased both investment contract revenues and insurance contract CSM releases.

It is also supported by a high level of investment margins, reflecting the value added by Phoenix Asset Management, and by cost savings, which I will cover on the next slide.

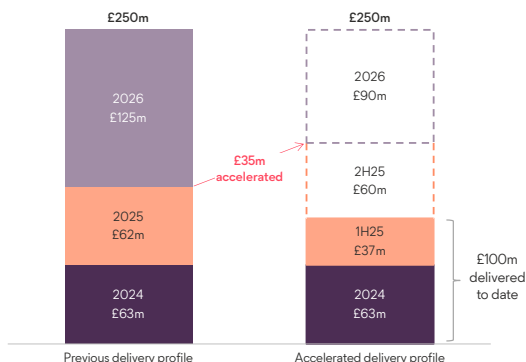
Our successful delivery of our Grow, Optimise and Enhance strategic initiatives puts us well on track to achieve our £1.1bn operating profit target by Full Year 2026.

Consistent with the comment I made earlier on OCG in-year profile, IFRS operating profit will also be more even first half on second half going forward.

Accelerating delivery of our cost savings, now on track for c.£160m in 2025



Run-rate cost savings[†]



- Accelerated run-rate cost savings delivery profile:
 - Introduction of Wipro as a strategic partner and other operating model changes
 - c.£160m expected by FY25, with £35m brought forward from FY26
- Total of £100m run-rate savings to date of which £40m earned in period
- Cost savings are a key underpin of improved operating profit and margin expansion

[†] Compared to FY23 £1.2bn cost base

Phoenix

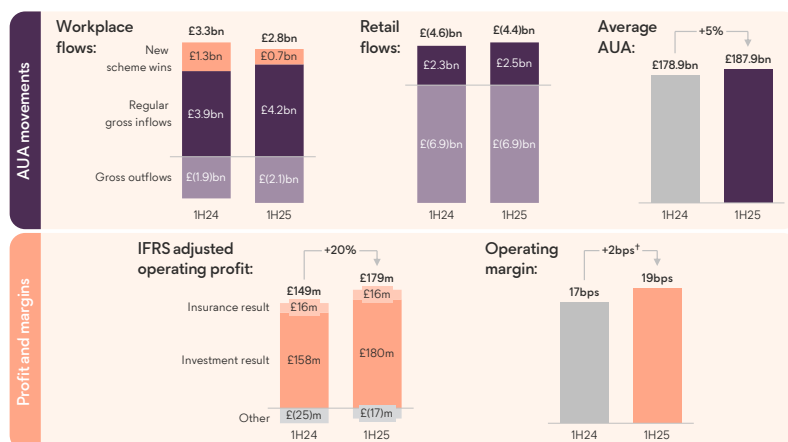
23

In March, I shared my assessment that our cost savings target of £250m was credible and that I was looking for opportunities to accelerate its delivery. The actions we have taken in the period, namely the introduction of Wipro as a strategic partner for customer administration and other changes to our operating model, have accelerated the delivery profile, with £160m cumulative run rate savings now expected to be achieved by Full Year 2025, some £35m higher than our previous guidance.

At the end of the half, cumulative run rate savings reached £100m, with actions taken in the period adding £37m to the Full Year 2024 total. Some £40m of this run-rate total was earned in the period.

Our cost savings initiatives remain a key underpin to delivering the 2026 operating profit target and to supporting ongoing business margin improvements.

20% IFRS adjusted operating profit increase in capital-light fee-based Pensions and Savings



- Workplace: strong gross inflows; 1H24 included £0.9bn large scheme win
- Retail: improvement in net outflows reflecting green shoots of retail strategy
- IFRS adjusted operating profit increased 20% to £179m
- Investment result reflects higher fee revenues from 5% rise in average AUA
- Lower overall costs
- Overall operating margin improved to 19bps reflecting operating leverage

* Operating margin based on average AUA

Phoenix

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Our Pensions & Savings business continues to grow in assets, profitability, and margins.

As Andy outlined earlier, we continue to win in Workplace with a leading employer proposition, excellent customer service and competitive pricing. This translated into £4.9bn in Workplace gross inflows, including £0.7bn in new scheme wins. You may recall that last year, we won a £0.9bn large scheme, which are relatively infrequent, boosting the prior year comparator.

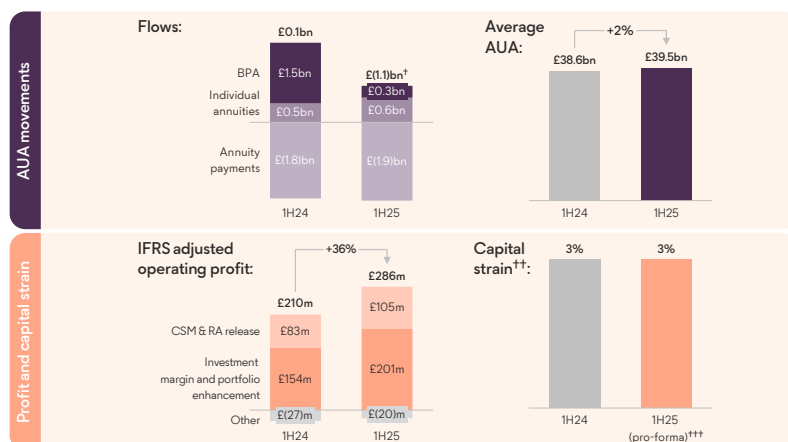
Excluding new scheme wins, we reported robust growth in gross inflows to £4.2bn, highlighting the Workplace flywheel effect as the combination of strong new business flows in recent periods and low bulk losses expands our overall regular premium base. Our Workplace pipeline is at a very healthy level, reinforcing our optimism of sustained business growth.

Workplace outflows were slightly up year on year, reflecting higher base AUA and the natural attrition from those taking their pensions or porting their Workplace schemes to their new employer.

Moving across the slide to Retail business flows, it is pleasing to see an uptick in gross inflows with outflows stabilising. Positive market effects have more than offset the overall net fund outflows, with average AUA closing up year on year.

Looking at the bottom half of the slide, IFRS operating profit increased 20% to £179m. The improved investment contract result is supported by higher fee revenues from the 5% growth in average AUA and continued cost discipline. Our scale and operating leverage supported an improved operating margin of 19 basis points.

36% IFRS adjusted operating profit increase in capital-utilising spread-based Retirement Solutions



- BPA: disciplined market participation with £0.3bn completed in 1H and an additional £2.9bn deals completed or exclusive since half year
- Individual annuities: strong c.20% growth to £0.6bn, supported by demand for innovative solutions
- IFRS operating profit up 36% to £286m driven by:
 - Higher CSM release reflecting ongoing growth
 - Higher investment margin from value added by Phoenix Asset Management
 - Lower overall costs

* Numbers may not sum due to rounding
 †† Post Capital Management Policy
 ††† Reflects the capital strain of the 1H25 total annuity volume, and the £2.9bn premiums from the additional BPA deals written or on an exclusive basis since half year

Phoenix

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Our Retirement Solutions business also delivered a strong operating performance in the first half. As a reminder, new volumes are not the primary driver of profits here. We run £39bn of annuity assets, so it is the management of this large book of business that drives most of our profitability.

Stepping through the slide, starting in the top left, BPA volumes were £0.3bn in the first half, reflecting market factors and our selective participation. We have since completed a £1.9bn deal and we are at an exclusive stage for deals totalling £1bn. So, at £3.2bn year to date, our BPA volumes are robust.

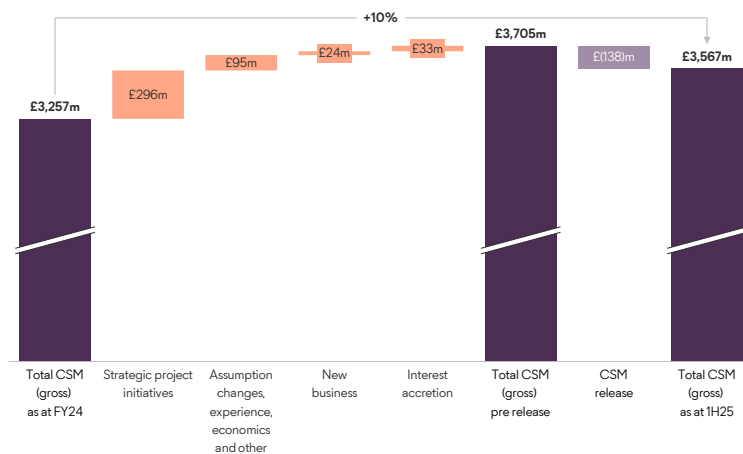
In Individual Annuities, new premiums grew by 20% to £0.6bn with our market share rising to 13%.

In the bottom right, you can see that operating profit increased strongly in the period, up 36% to £286m. The improvement is supported by higher CSM releases reflecting growing business scale, higher investment margins reflecting the value add by Phoenix Asset Management and ongoing operational leverage.

We have maintained pricing discipline, with business incepted at a similar level of strain to last year of around 3% generating mid-team IRRs.

We remain committed to deploying up to £200m of capital this year, provided we secure sufficiently attractive returns.

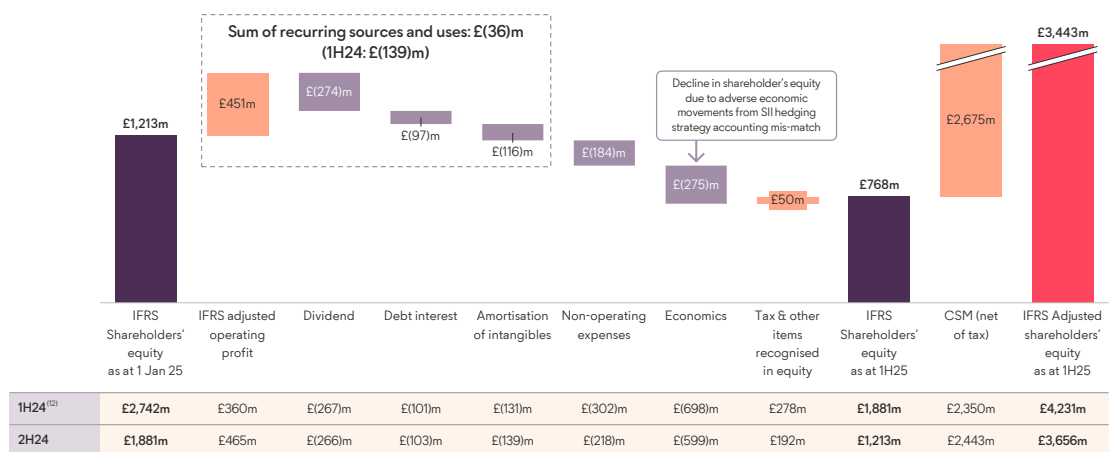
Strategic execution drives 10% Contractual Service Margin growth



- Strategic execution comprises of:
 - In-housing of annuity-backing assets
 - Wipro strategic partnership
- CSM release of £138m, equivalent to 7.5% annualised

The 10% increase in our store of insurance contract value recorded in the CSM represents another key underpin to our future operating profitability. This increase reflects ongoing contributions from the usual sources as well as a sizable contribution in this period from strategic projects, namely the expense savings benefit from in-housing annuity-backing assets and the impact of the Wipro strategic partnership on associated contracts.

Declining shareholders' equity a known consequence of hedge-related volatility, but recurring sources and uses are converging



See Appendix 23 for footnotes

Phoenix

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Completing the IFRS picture, this next slide shows the first half movement in IFRS adjusted shareholders equity. Our higher operating profitability means that we continue to close the gap between recurring sources and uses being negative £36m in the period compared to negative £139m last year.

Non-operating expenses reduced to £184m, reflecting the tapering of our planned investment spend.

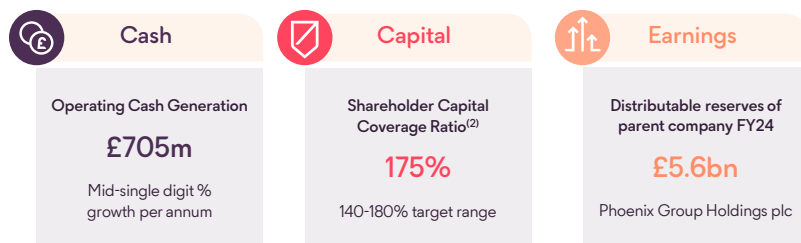
We reported adverse economic variances of £275m, driven primarily by the negative marks on equity hedges following a 7% rise in markets. As I illustrated back in March, this is a known consequence of our hedging strategy which protects cash and solvency capital but gives rise to an accounting mismatch under IFRS. The slide which accompanied the explanations provided in March is included in the Appendix.

Actions such as the With Profits initiative to sell £0.7bn of future shareholder transfers to the estate will reduce our overall equity risk exposure, allowing us to shrink the size of the equity hedging programme by around 10%.

On the right of the chart, you will see that we closed the period with an adjusted shareholders' equity of £3.4bn.

Before leaving this slide, I reiterate that our aim is for IFRS shareholders equity, ex-economics, to grow from 2027.

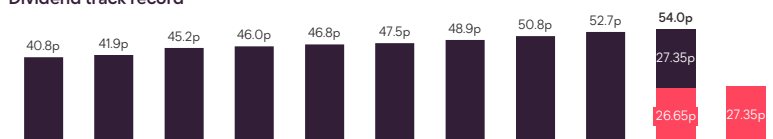
Ample headroom to pay progressive and sustainable dividend on a Cash, Capital and Earnings basis



✓ Strong track record of dividend growth, with growth of 3% YoY

✓ Shareholders' equity expected to grow from 2027 excluding economics

Dividend track record



✓ IFRS consolidated shareholders' equity is not a constraint to the payment of our dividends⁽¹⁾

See Appendix 23 for footnotes



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Moving next to dividend, Phoenix is a highly cash-generative business. We have a strong track record of consistent dividend growth and operate a sustainable and progressive dividend policy.

I outlined in March the financial metrics that the Board considers when undertaking the annual dividend assessment. These are repeated on this slide, being namely OCG, the solvency coverage ratio and the parent company distributable reserves, all of which remain healthy.

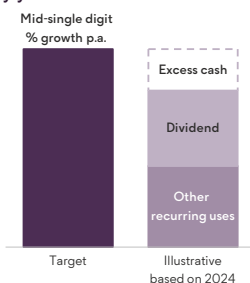
Consistent with previous guidance, the Board continues to consider that the Group's consolidated IFRS shareholders' equity does not give rise to any practical limitations to dividend payments.

Increased certainty of delivering our 3-year targets



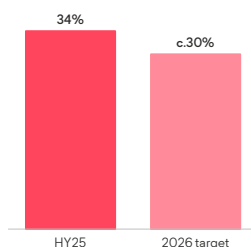
Cash

Growing OCG delivering excess cash every year



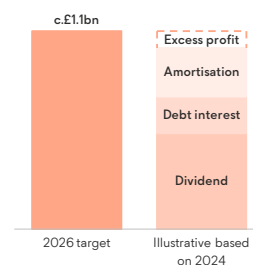
Capital

Excess cash generation supports deleveraging target



Earnings

IFRS adjusted operating profit target covers recurring uses



Financial framework delivers progressive and sustainable dividend policy⁽¹⁾

See Appendix 23 for footnotes



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To conclude, we have made positive progress at the midpoint of our three-year strategy, and we have increased execution certainty across all of our 2026 financial framework targets.

We have positioned the business to generate mid-single-digit-percentage annual OCG growth, producing a level of OCG which more than covers our recurring uses and delivers excess cash of £300m or more per annum.

We're on track to reduce our leverage ratio to 30% by 2026, with all the levers required to achieving this being firmly within our control.

Finally, supported by the acceleration of our cost saving plans, we are on track to deliver £1.1bn of IFRS operating profit in 2026, enabling us to cover our recurring uses on this reporting basis as well.

Thank you for your attention. I will now hand you back to Andy.

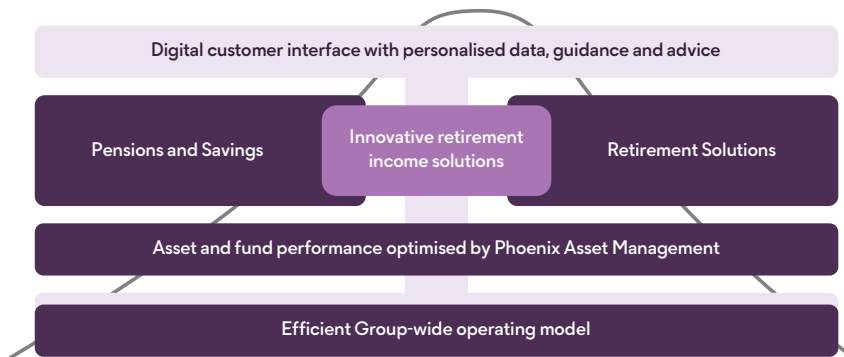
Looking ahead

Andy Briggs
Group Chief Executive Officer

 Phoenix

Thank you, Nic.

Our vision is to become the UK's leading retirement savings and income business

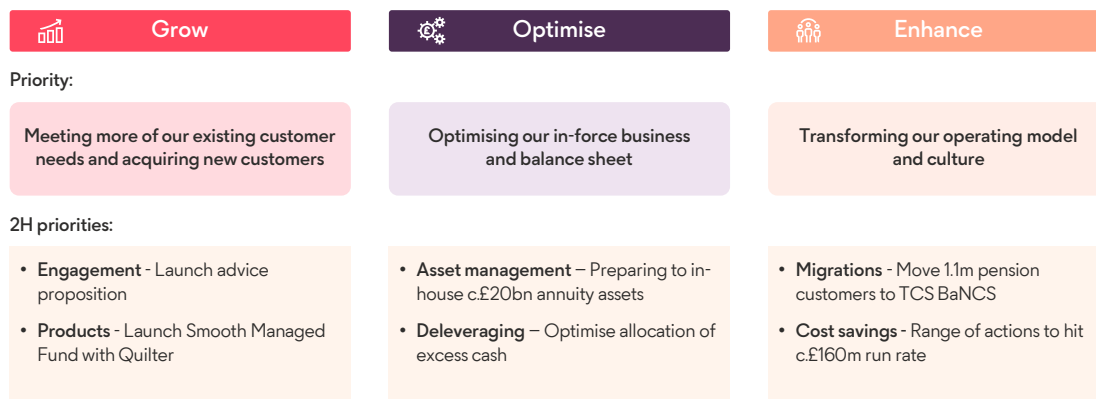


We deliver this by investing in our strategy to Grow, Optimise and Enhance

Our vision is simple, to become the UK's leading retirement savings and income business, serving customers at all stages of their life cycle from 18 to 80+. And we're making great progress.

We have built leading propositions across our Pensions & Savings and Retirement Solutions businesses and enhanced our asset management capabilities. Our focus will now turn to further building out our customer engagement tools, which will be enhanced by our increasingly digitally enabled customer interface, shown in the lighter purple. Our strategic priorities are clear, and we're excited about what comes next.

Building momentum as we continue to deliver on our strategic priorities



Looking forward, we expect the second half of 2025 to be just as busy as the first as we continue to execute against our strategic priorities.

For Grow, while we'll continue to consolidate our excellent position in Workplace and Annuities, the focus of our investment is in Retail as we build out our capabilities. Priorities here are engaging our customers, so I'm particularly excited about the imminent launch of our Retail advice proposition, also connecting our full range of products into key platforms, and so the launch of our Smooth Managed Fund on the Quilter platform, one of the largest in the market, is a key step forward to reach more customers.

For Optimise, we will progress our shift to in-housing annuity-backing assets.

And for Enhance, by the end of the year, 75% of policies will be on their end-state platform.

Phoenix Group is becoming Standard Life plc

Effective March 2026



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Today, we're announcing our intention to change our Group name from Phoenix to Standard Life PLC in March 2026.

Our move to Standard Life brings our most trusted brand to the forefront and demonstrates our commitment to helping customers secure a better retirement. It's a brand known to all of you and the brand we are already using for new business in the Pensions & Savings and Retirement Solutions markets.

The move aligns our brand strategy with our Group strategy, supporting our focus on organic growth. It unifies our colleagues and strengthens our employer brand, and it simplifies our business, reducing duplication and cost.

Successfully executing on our vision to become the UK's leading retirement savings and income business



Strong execution of strategic priorities



Meeting more customer needs and driving growth



Balance sheet pivot beginning to show



On track to deliver our 2026 targets



Uniquely positioned to capture momentum



Regulatory and political tailwinds to a structurally growing market

Delivering on our strategy supports strong shareholder returns enabled by our progressive and sustainable ordinary dividend policy⁽¹⁾

See Appendix 23 for footnotes

 Phoenix

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In summary, we are successfully executing on our vision to be the UK's leading retirement savings and income business.

Let me recap the three key messages.

I'm delighted with the progress we're making against our strategic priorities. I'm pleased that the balance sheet pivot is beginning to emerge, and I'm optimistic about the future. Delivery on our strategy is enabling us to meet more customer needs and, in turn, deliver strong shareholder returns. So, with that, let us move to questions.

Q&A

 Phoenix

So, we'll start with questions from the audience in the room. If you can raise your hand, if you have a question and we'll direct one of the roaming microphones to you. Please, you can start by introducing yourself and the institution you represent.

For anyone watching on the webcast, please use the Q&A facility and we'll come to your questions after we've answered those in the room.

Appendix

 Phoenix

Appendices

1. Group cash flow analysis
2. Total cash generation 2024-2026 illustrative sources and uses
3. Debt maturity profile and leverage ratios as at 30 June 2025
4. Additional Solvency II disclosures
5. Change in Life Companies' Free Surplus
6. Hedging protects cash and Solvency II surplus
7. IFRS shareholders' equity to Solvency II surplus bridge
8. PGH Solvency II Shareholder Capital Coverage Ratio sensitivities
9. IFRS sensitivities
10. With-Profits simplification programme
11. Movement in assets under administration
12. Movement in assets under administration by segment
13. Movement in assets under administration by segment (Pensions and Savings)
14. IFRS shareholders' equity, to Solvency II Own Funds, to intrinsic value walk
15. 1H25 IFRS adjusted operating profit drivers
16. Pensions and Savings IFRS adjusted operating profit analysis
17. Retirement Solutions IFRS adjusted operating profit analysis
18. Movement in Group Contractual Service Margin, including segmental split
19. Shareholder credit portfolio
20. Diversification of illiquid asset portfolio as at 30 June 2025
21. ESG ratings and collaborations
22. 2025 sustainability commitments
23. Footnotes

Appendix 1: Group cash flow analysis

	1H25
Cash and cash equivalents at 1 January 2025	£1,117m
Total cash generation [†]	£784m
Uses of cash:	
Operating expenses and pension scheme contributions ^{††}	£(33)m
Non-operating net cash outflows	£(285)m
Debt interest	£(133)m
Support of annuities activity	£(19)m
Free cash flow generation	£314m
Shareholder dividend	£(274)m
Debt repayments	£(200)m
Debt issuance	-
Closing cash and cash equivalents at 30 June 2025	£957m

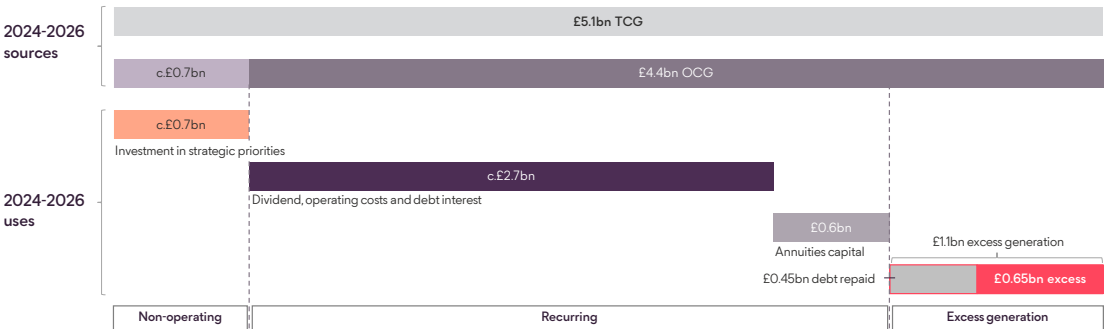
[†]Total cash generation includes £114m received by the holding companies in respect of tax losses surrendered

^{††}1H25 operating expenses include £33m of pension scheme contributions



- Strong total cash generation of £784m in the period funds our uses of cash
- Non-operating net cash outflows of £285m (1H24: £185m) include:
 - £149m of investment in strategic priorities
 - £136m of net other items (includes £113 million of cash collateral outflows on currency derivatives used to hedge non-sterling debt instruments, following the depreciation of USD in the period and £23m of net other items)
- Strong free cash flow generation of £314m
- Debt movements reflect the \$250m Tier 1 note redemption completed in February

Appendix 2: Total cash generation 2024-2026 illustrative sources and uses

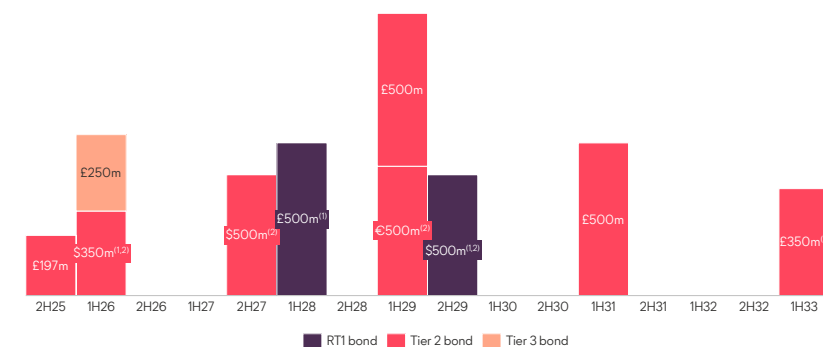


Capital allocation approach:

Allocate surplus capital to the highest return opportunities

- Deleveraging to c.30% SII target
- Investment into growth
- M&A
- Share buybacks

Appendix 3: Debt maturity profile and leverage ratios as at 30 June 2025



Leverage ratios

	FY24	1H25
SII leverage ^(3,6)	36%	34%
Fitch basis ^(4,6)	23%	24%
IFRS basis ^(5,6)	52%	52%

¹First optional redemption

²All currency debt converted into GBP based on the closing 30 June 2025 exchange rates

³SII leverage calculation = debt (all debt including RT1) / SII regulatory eligible Own Funds

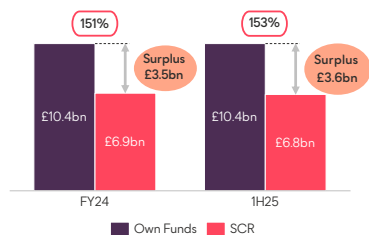
⁴Fitch leverage ratio is estimated by management based on Fitch's published methodology (calculation = debt (all debt excluding RT1) / debt + equity (adjusted shareholders' equity + NCI + policyholder surplus in With-Profits funds + RT1))

⁵IFRS leverage calculation = debt (all debt including RT1) / debt + equity (adjusted shareholders' equity)

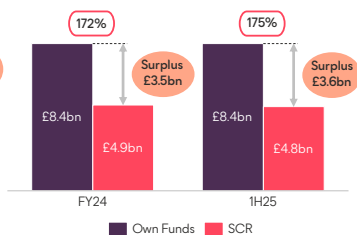
⁶Ratios allow for currency hedges over foreign currency denominated debt

Appendix 4: Additional Solvency II disclosures

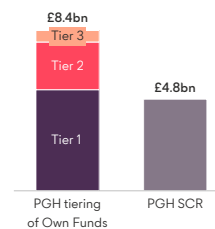
PGH SII Regulatory Coverage Ratio



PGH SCCR⁽²⁾



1H25 PGH Own Funds by capital tier



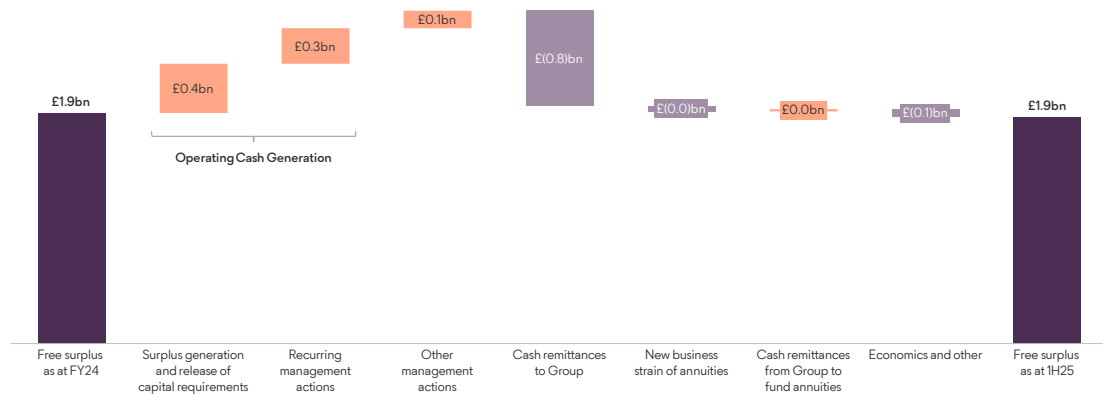
Share of SII Own Funds by capital tier

	£bn	%
Tier 1†	£5.3bn	64%
Tier 2	£2.5bn	29%
Tier 3	£0.6bn	7%
Total	£8.4bn	100%

	FY24	1H25
PGH Solvency II Own Funds	£10.4bn	£10.4bn
Less: Unsupported With-Profit funds	£(2.0)bn	£(2.1)bn
Adjustment for unsupported pension schemes and restrictions	-	£0.1bn
PGH Shareholder Own Funds	£8.4bn	£8.4bn

See Appendix 23 for footnotes
†Tier 1 includes £1bn of Restricted Tier 1 capital

Appendix 5: Change in Life Companies' Free Surplus



Numbers may not sum due to rounding

Appendix 6: Hedging protects cash and Solvency II surplus

Hedge unrewarded market risks

Protects SII surplus and therefore cash generation

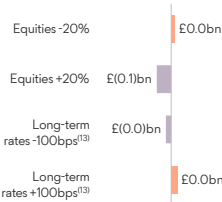
Reduced SCR on SII balance sheet

What we do

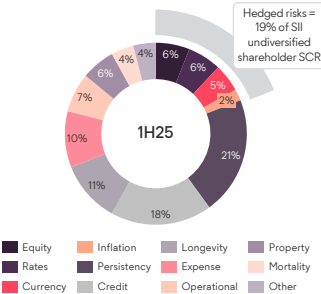
We hedge unrewarded market risks:

- Interest rates
- Inflation
- Currency
- Equity risk

Low SII surplus sensitivities – 1H25

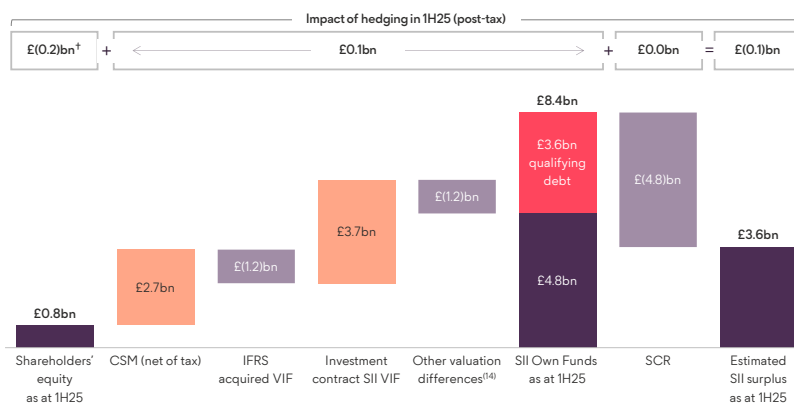


SII undiversified shareholder SCR[†]



See Appendix 23 for footnotes
[†] Split of SCR includes allowance for diversification within each risk category

Appendix 7: IFRS shareholders' equity to Solvency II surplus bridge



See Appendix 23 for footnotes
[†] Post-tax, economics & OCI

Appendix 8: PGH Solvency II Shareholder Capital Coverage Ratio sensitivities

Unrewarded market risks ⁽¹⁵⁾							Demographic risks ⁽¹⁵⁾		Rewarded market risks ⁽¹⁵⁾		
Base position	Equities 20% fall in markets	Long-term rates 100bps rise ⁽¹³⁾	Long-term rates 100bps fall ⁽¹³⁾	Long-term inflation 50bps rise ⁽¹⁶⁾	Currency 15% reduction ⁽¹⁷⁾	Currency 10% increase ⁽¹⁷⁾	Lapse 10% increase/ decrease in rates ⁽¹⁸⁾	Longevity 6 months increase ⁽¹⁹⁾	Property† 12% fall in values ⁽²⁰⁾	Credit 130bps spread widening ⁽²¹⁾	Credit†† 20% portfolio full letter downgrade ⁽²²⁾
£3.6bn ⁽²⁾	Nil	Nil	Nil	Nil	£0.1bn	£(0.1)bn	£(0.2)bn	£(0.4)bn	£(0.2)bn	£(0.1)bn	£(0.3)bn
Impact on Solvency II surplus											
Impact on SCCR ⁽²⁾ (Target range: 140-180%)	175%	5%	5%	(4)%	(1)%	(1)%	(2)%	(9)%	(5)%	(1)%	(7)%

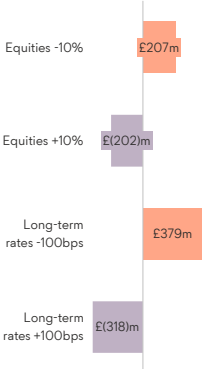
See Appendix 23 for footnotes

† Property lending includes ERM and Commercial Real Estate

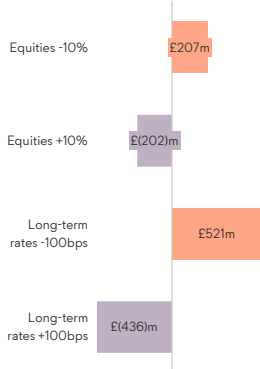
†† Downgrade sensitivity includes an estimate for realistic management actions

Appendix 9: IFRS sensitivities

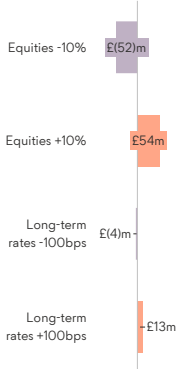
IFRS shareholders' equity



Post-tax P&L impact



CSM impact



Appendix 10: With-Profits simplification programme

Context

c.£35bn AUA in With-Profits segment

22 With-Profits funds, of which 12 operated on a 90/10 basis

Scope

- Initiated a 2-year programme covering 12 With-Profits funds
- Agree buyout of 90/10 With-Profits funds
- c.£0.7bn[†] of future shareholder transfers

Benefits

- ✓ Non-recurring management action benefits

- ✓ Distributable profits and liquidity benefits

- ✓ Reduction in shareholder equity exposure and associated hedging

Outcome

- 1H25: c.£50m non-RMA benefit from 1 fund
- Total of c.£0.15bn non-RMAs benefit from 12 funds over the next two years

- Acceleration of future shareholder transfers

- c.10% reduction in group equity hedging
- Reduced IFRS sensitivity to equity movements

Fairness ensured through reviews by With-Profits Actuary, Independent Actuary, Life Board and Regulators

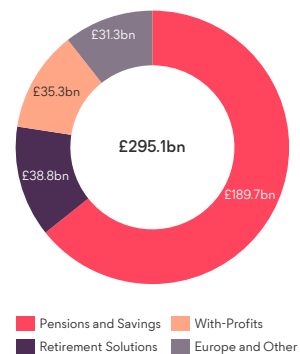
[†] Gross of tax recognised on the Solvency II balance sheet. This does not include a further c.£0.2bn gross of tax share of the estate

Appendix 11: Movement in assets under administration

Movement in AUA from 1 January 2025 to 30 June 2025

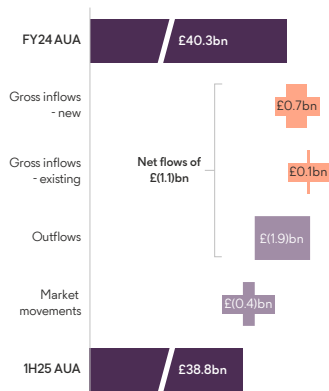


Split by segment

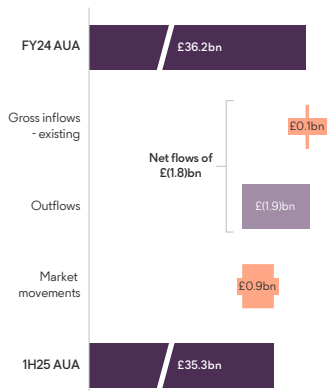


Appendix 12: Movement in assets under administration by segment

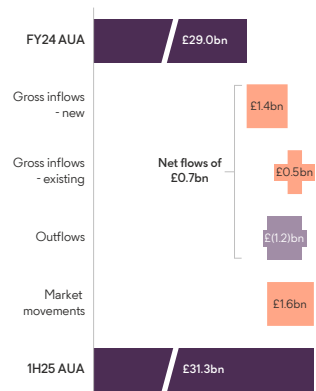
Retirement Solutions



With-Profits

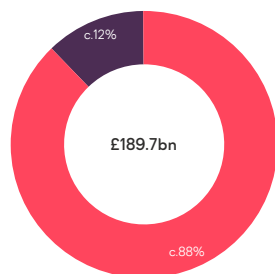


Europe and Other



Appendix 13: Movement in assets under administration by segment (Pensions and Savings)

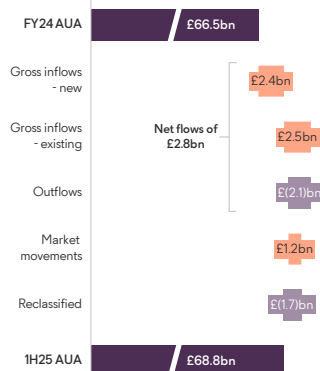
Pensions and Savings – total AUA



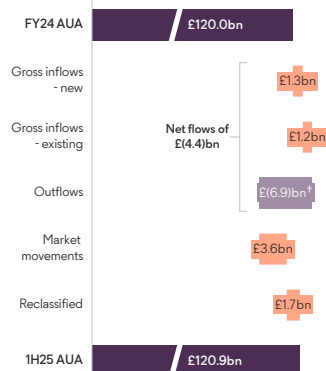
IFRS 9 capital-light investment contracts
IFRS 17 insurance contracts

* Estimated c.50% of gross outflows relate to customers taking income or accessing products for retirement income, with external transfers as the remainder

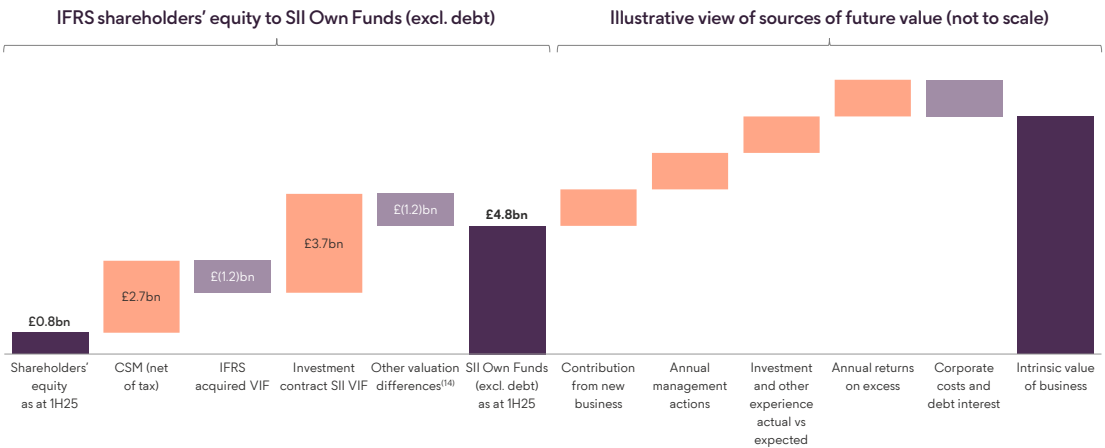
Pensions and Savings – Workplace



Pensions and Savings – Retail



Appendix 14: IFRS shareholders' equity, to Solvency II Own Funds, to intrinsic value walk



See Appendix 23 for footnotes

Appendix 15: 1H25 IFRS adjusted operating profit drivers

	CSM release	Risk adjustment release	Operating profit on investment contracts [†]	Expected investment margin	Non-economic experience variances	Non-attributable expenses	Other	Total operating profit
Pensions and Savings	£16m	£5m	£180m	-	£(5)m	£(23)m	£6m	£179m
Retirement Solutions	£91m	£14m	-	£201m	£(7)m	£(14)m	£1m	£286m
Europe and Other	£18m	£9m	£(7)m	£33m	£(14)m	£(5)m	£7m	£41m
With-Profits	£8m	-	£(4)m	£3m	£(6)m	-	£3m	£4m
Corporate Centre	-	-	-	-	-	£(80)m	£21m	£(59)m
IFRS adjusted operating profit	£133m	£28m	£169m	£237m	£(32)m	£(122)m	£38m	£451m
1H24 IFRS adjusted operating profit	£126m	£18m	£148m	£196m	£(10)m	£(155)m	£37m	£360m

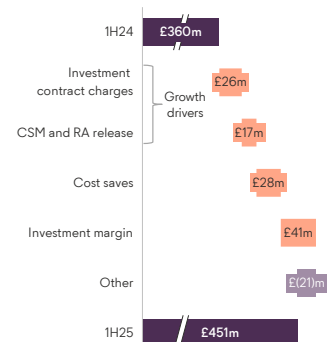
Operating earnings per share^{††} 25.3p

[†] Operating profit on investment contract charges £475m (1H24: £449m) net of investment contract expenses of £306m (1H24: £301m)

^{††} Operating earnings per share is calculated using adjusted operating profit less financing costs, after tax divided by the weighted average number of ordinary shares in issue during the period

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Drivers of overall improvement in 1H25 IFRS adjusted operating profit



Appendix 16: Pensions and Savings IFRS adjusted operating profit analysis

	1H25	1H24*	2H24	2024
CSM and RA release	£21m	£18m	£27m	£45m
Other insurance items	£(5)m	£(2)m	£11m	£9m
Insurance result	£16m	£16m	£38m	£54m
Investment contract charges	£429m	£405m	£463m	£868m
Investment contract expenses	£(249)m	£(247)m	£(272)m	£(519)m
Investment result	£180m	£158m	£191m	£349m
Non-attributable expenses	£(23)m	£(32)m	£(56)m	£(88)m
Other non-insurance items	£6m	£7m	£(6)m	£1m
IFRS adjusted operating profit	£179m	£149m	£167m	£316m
Average AUA	£187.9bn	£178.9bn	£185.9bn	£182.3bn
IFRS adjusted operating margin (annualised) bps	19bps	17bps	18bps	17bps

- Insurance result benefits from higher CSM and RA, offset by other items
- Investment result benefits from higher charges driven by increase in average AUA
- Overall adjusted operating profit margin of 19bps reflecting scale benefit and operating leverage

* Investment contract charges in 1H24 did not include £15 million in relation to a block of business which was recognised outside of the investment result. This was corrected in FY24 and therefore 2H24 includes £15 million of investment contract charges related to 1H24.

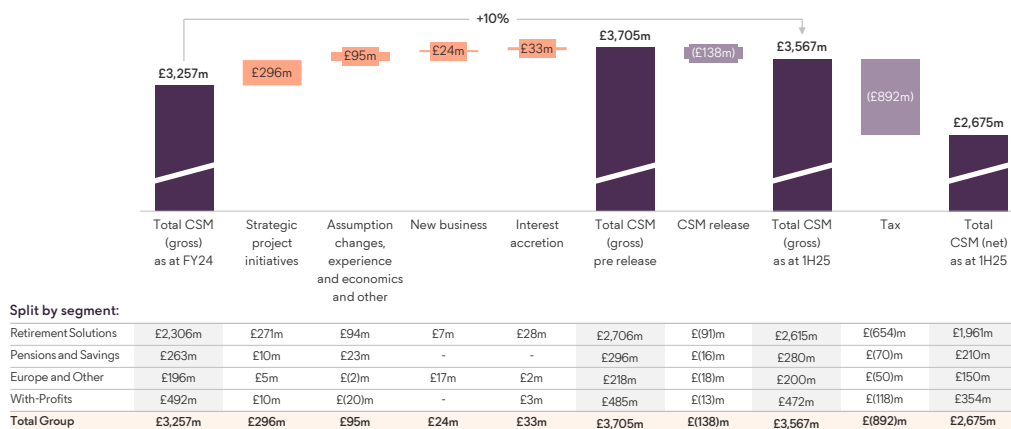
Appendix 17: Retirement Solutions IFRS adjusted operating profit analysis

	1H25	1H24	2H24	2024
CSM release	£91m	£73m	£77m	£150m
RA release	£14m	£10m	£14m	£24m
Expected investment margin	£88m	£110m	£102m	£212m
Trading profit	£113m	£44m	£110m	£154m
Other insurance items	£(7)m	£3m	£(14)m	£(11)m
Insurance result	£299m	£240m	£289m	£529m
Non-attributable expenses	£(14)m	£(30)m	£(30)m	£(60)m
Other items	£1m	-	£5m	£5m
IFRS adjusted operating profit	£286m	£210m	£264m	£474m
Surplus assets	£2.0bn	£3.0bn	£3.0bn	£3.0bn
Long-term returns on SH funds	£53m	£75m	£74m	£149m
Returns from assets backing liabilities	£35m	£35m	£28m	£63m
Expected investment return	£88m	£110m	£102m	£212m
Long-term return on SH funds	5.3%	5.0%	4.9%	5.0%
Closing CSM before amortisation	£2,706m	£2,338m	£2,456m	£2,456m
Rate of CSM release %	7%	6%	6%	6%
Average AUA	£39.5bn	£38.6bn	£39.4bn	£39.0bn
IFRS adjusted operating profit margin (annualised)	145bps	109bps	134bps	122bps

- Increase in CSM and RA release, reflecting growth in the annuity book and benefits from strategic actions
- Lower expected investment margin due to lower surplus assets, partly offset by higher asset returns
- Higher trading profits owing to portfolio management actions delivered in the period
- Cost savings contributing to margin improvement

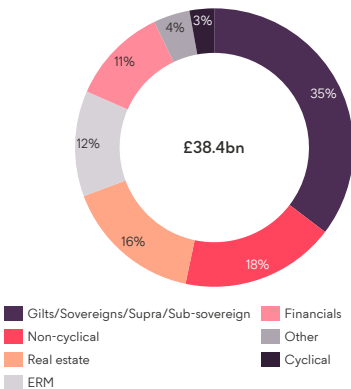
Appendix 18: Movement in Group Contractual Service Margin, including segmental split

Movement of the Group CSM from 1 January 2025 to 30 June 2025



Appendix 19: Shareholder credit portfolio

Prudently positioned shareholder credit portfolio



* <1% of the portfolio is BB and below

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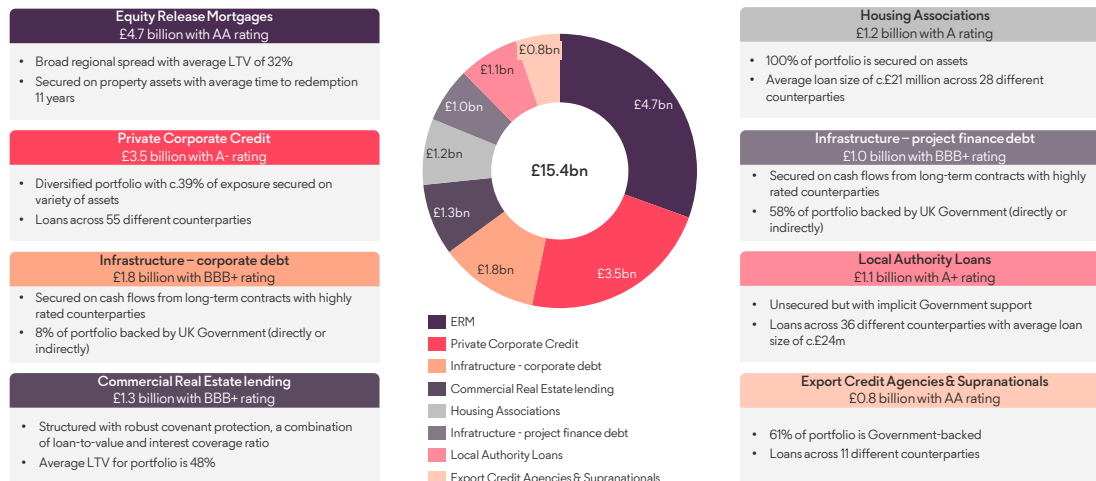
Credit rating



✓ Shareholder credit assets are a small proportion of our c.£295bn balance sheet (c.13%)

✓ Our prudent portfolio is c.100% investment grade*

Appendix 20: Diversification of illiquid asset portfolio as at 30 June 2025



Appendix 21: ESG ratings and collaborations

Strong ESG ratings

Ratings agency	FY24	1H25	Change
MSCI	AAA	AAA	↔
Sustainalytics	18.5 / low risk	18.6 / low risk	↑
CDP	A-	A-	↔
S&P Global ESG	62	65	↑
ISS ESG corporate rating	C+ prime	C+ prime	↔

ESG ratings may vary among ESG rating agencies as the methodologies used to determine ESG ratings may differ. The Group's ESG ratings are not indicative of its current or future operating or financial performance, and are only current as of the dates on which they were initially issued. Investors must determine for themselves the relevance of any such ESG ratings information contained in this presentation.

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Collaborations and Commitments



Appendix 22: 2025 sustainability commitments

Key 2025 commitments

ESG Theme: Planet

We want to help shape a better future. This means delivering good outcomes for our customers, playing a key role in delivering a net zero economy by 2050 and understanding and taking action to manage our impact and dependency on nature.

- On track** • Launch Sustainability Disclosure Requirement labelled funds based on our climate-aligned indices and roll out equity climate aware benchmarks across the remaining regions
- On track** • Continue to implement our 3-year stewardship engagement programme and build alignment with asset manager partners on engagement objectives
- On track** • Progress our long-term ambition to invest up to £40bn in sustainable, transition or (UK-focused) productive assets[†]
- Complete** • Evolve our default fund solution by delivering Sustainability Disclosure Requirement changes
- On track** • Continue our programme of thought leadership and advocacy, focusing on overcoming policy, regulatory and market barriers to unlock investment in climate solutions
- On track** • Develop and implement a programme to reduce our business travel emissions
- On track** • Engage our Top 10 highest emitting suppliers to support their progress towards net zero by 2050

ESG Theme: People

We want to help people live better longer lives. This means tackling the pensions savings gap and supporting people to have better financial futures through promoting financial wellness and the role of good work and skills.

- On track** • Shape thinking and influence retirement income adequacy through research and work with UK policy makers
- On track** • Continue to focus on increasing engagement and improving customer support at key moments on their journey to and through retirement
- On track** • Use consumer insights to develop and promote workable solutions to improve access to decision support as part of the Advice Guidance Boundary Review
- On track** • Deliver a Careers Can Change Summit to inspire and support midlife career mobility

[†] Our definition of sustainable and transition assets are set out in our Sustainable Finance Classification Framework for Private Markets. We align with the ABI Investment Delivery Forum's definition of productive assets: Contributing to the real economy, expanding productive capacity, or furthering sustainable growth

Appendix 23: Footnotes

1. The Board will continue to prioritise the sustainability of our dividend over the long term. Future dividends and annual increases will be subject to the discretion of the Board, following assessment of longer-term affordability. At 31 December 2024, distributable reserves at Phoenix Group Holdings plc, the Group's holding company that pays dividends to shareholders, stood at £5,571 million (FY 2023: £4,632 million), supported by sizeable distributions from its main operating subsidiaries which continue to report under UK GAAP and carry significant distributable reserves. In 2024 the Group's main operating subsidiaries generated strong UK GAAP net profits after covering hedging, which supported the cash remittances to Group. In the consolidated IFRS financial statements, the Group is targeting a positive pre-hedge post-dividend IFRS net profit contribution to the IFRS shareholders' equity. The Group accepts the hedge-related volatility that impacts IFRS shareholders' equity, which is a known consequence of our Solvency II hedging strategy that is designed to protect our cash, capital and dividend. In this overall context and consistent with previous guidance, the Board considers that the Group's consolidated IFRS shareholders' equity is not a constraint to the payment of our dividends.
2. The Shareholder Capital Coverage Ratio excludes Solvency II Own Funds and Solvency Capital Requirements of unsupported With-Profit funds and unsupported pension schemes.
3. Solvency II leverage ratio calculation = debt (all debt including RTI) / SII regulatory Own Funds. Ratio allows for currency hedges over foreign currency denominated debt.
4. NMG, The 2024 Purple Book, and publicly available company financial disclosures.
5. Company estimate based on 2024 Broadridge Workplace Provider Benchmarking Report.
6. Company estimate based on internal analysis of latest market data.
7. Company estimate based on FY24 financial disclosures.
8. Company estimate based on 2024 LCP pension risk transfer report.
9. Fundscape 1Q24-3Q24, financial disclosures.
10. Top-5 player BPA, 3-year average ranking based on BPA annuity volumes, 2024 LCP pension risk transfer report annual market flows p.a. Individual Annuities market share; internal estimate based on publicly available information.
11. New business strain principally reflects capital invested into annuities.

Appendix 23: Footnotes (continued)

12. In the 2024 Annual Report and Accounts, the Group identified material corrections to previously reported results, leading to a restatement of retained earnings and other receivables of £74 million in the balances as at 1 January 2024. Consequently, retained earnings in the condensed statement of consolidated changes in equity for the half year ended 30 June 2024 have been restated by £74 million. Further information on this restatement can be found in note 1 to the 2025 Interim Financial Report.
13. Assumes the impact of a mechanical recalculation of transitional items and an element of dynamic hedging which is performed on a continuous basis to minimise exposure to the interaction of rates with other correlated risks including longevity.
14. Other valuation differences include removal of other intangibles such as goodwill and deferred acquisition costs from IFRS (£0.3 billion decrease), differences in technical provision measurement including discount rates and allowance for risk (including TMTP) totalling (£0.9 billion decrease), valuation of debt (£0.2 billion increase), pension scheme availability restrictions (£0.3 billion decrease), and the inclusion of the foreseeable dividend on a Solvency II basis (£0.3 billion decrease) and other items including the tax on the valuation differences (£0.4 billion increase).
15. Illustrative impacts assume changing one assumption on 1 July 2025, while keeping others unchanged, and that there is no market recovery. They should not be used to predict the impact of future events as this will not fully capture the impact of economic or business changes. Given recent volatile markets, we caution against extrapolating results as exposures are not all linear.
16. Rise in inflation: 15yr inflation +50bps.
17. A 15% weakening/10% strengthening of GBP exchange rates against other currencies.
18. Assumes most onerous impact of a 10% increase/decrease in lapse rates across different product groups.
19. Only applied to the annuity portfolio.
20. Property stress represents an overall average fall in property values of 12%.
21. Credit stress varies by rating and term and is equivalent to an average 130bps spread widening. It assumes the impact of a mechanical recalculation of transitional items and makes no allowance for the cost of defaults/downgrades.
22. Impact of an immediate full letter downgrade across 20% of the shareholder exposure to the bond portfolio (e.g. from AAA to AA, AA to A, etc). This sensitivity assumes management actions are taken to rebalance the annuity portfolio back to the original average credit rating and makes no allowance for the spread widening which would be associated with a downgrade.

Note: Numbers on charts may not sum due to rounding

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This presentation in relation to Phoenix Group Holdings plc and its subsidiaries (the 'Group') contains, and the Group may make other statements (verbal or otherwise) containing, forward-looking statements and other financial and/or statistical data about the Group's current plans, goals, targets, ambitions, outlook, guidance and expectations relating to future financial condition, performance, results, strategy and/or objectives.

Statements containing the words 'believes', 'intends', 'will', 'may', 'should', 'expects', 'plans', 'aims', 'seeks', 'targets', 'continues' and 'anticipates' or other words of similar meaning are forward looking. Such forward-looking statements and other financial and/or statistical data involve known and unknown risks and uncertainty because they relate to future events and circumstances that are beyond the Group's control. For example, certain insurance risk disclosures are dependent on the Group's choices about assumptions and models, which by their nature are estimates. As such, actual future gains and losses could differ materially from those that the Group has estimated.

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