Phoenix

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

Agenda

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

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

3 **Looking ahead**
Andy Briggs, Group Chief Executive Officer

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

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

On track to deliver our 2026 financial targets

1H25 progress		Our 3-year targets	
Cash	£705 million Operating Cash Generation 'OCG' £784 million Total cash generation	On track	Expected to grow at mid-single digit % p.a. from £1.4bn achieved in FY 2024 £5.1bn of total cash generation across 2024-2026
Capital	175%(2) Shareholder Capital Coverage Ratio 'SCCR' 34%(3) Solvency II leverage ratio	On track	140-180% SCCR operating range c.30%(3) Solvency II leverage ratio target by end of 2026
Earnings	£451 million IFRS adjusted operating profit £100 million annualised run-rate cost savings	On track	c.£1.1bn IFRS adjusted operating profit in 2026 £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

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

Structurally growing market driven by demographic and socio-economic trends

- The population is ageing
- Shift to Defined Contribution pensions
- 1 in 7 are on track for an adequate retirement
- 1 in 10 take financial advice
- Workers have multiple pension pots
- Individuals prioritise certainty of income

Additional long-term tailwinds from regulatory and political proposals

Saving for retirement → Transitioning to retirement → Securing income in retirement

- Minimum scale for default funds
- Pension adequacy review
- Defined Benefit surplus reform
- Targeted support and Pensions dashboards
- Increased focus on private investment in the UK

See Appendix 23 for footnotes

Lifetime savings and retirement income journey

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

	Pensions and Savings			Retirement Solutions	
Our customer solutions	Workplace pensions	Retail: Direct	Retail: Intermediated	Annuities: Individual annuities	Annuities: Bulk Purchase Annuities
Annual market flows	£80bn(5)	£150bn(6)		£7-9bn(7)	£40-60bn(8)
2024 gross flows	c.£9bn	c.£5bn		c.£1bn	c.£5bn
Ambition	Consolidating Top 3	Move from Top 10 to Top 5(9)		Maintain Top 5(10)	
Strategy	Retaining existing schemes and winning new schemes	Engaging existing customers to stay and consolidate	Innovative propositions to attract new customers	Disciplined capital deployment and ongoing proposition development	

See Appendix 23 for footnotes

Lifetime savings and retirement income journey

We are well-positioned to win share in growing markets

Group competitive advantages…

Customer engagement
1 in 5 UK adults are existing customers

Capital efficiency
Diversified business model across fee and spread-based businesses

Cost efficiency
Existing scale and leveraging technology

…provide the platform to win across our chosen markets

Pensions and Savings
Our capital-light fee-based business

Workplace
- ✓ Leading employer proposition
- ✓ Excellent customer service
- ✓ Competitive pricing

Retail
- ✓ Standard Life brand
- ✓ Products that meet evolving needs
- ✓ Great digital engagement

Retirement Solutions
Our capital-utilising spread-based business

Individual annuities
- ✓ Fast, guaranteed pricing
- ✓ Products that meet evolving needs
- ✓ Great digital experience

BPA
- ✓ Excellent member experience
- ✓ Leading employer proposition
- ✓ Competitive pricing

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…

Engagement		Product
Advice proposition – received FCA approval	Standard Life connected to the pension dashboard ecosystem	Widened availability of Standard Life drawdown products
Customer wellbeing – expanded range of tools	Further enhanced our market-leading app	Completed Sustainability Disclosure labelling implementation on £35bn of assets

corporate adviser awards 25
WINNER
Best Master Trust

PENSIONS Age AWARDS 2025
WINNER
MASTER TRUST OFFERING OF THE YEAR

PROFESSIONAL PENSIONS
UK PENSIONS AWARDS 2025
WINNER
DC Master Trust of the Year
Standard Life

…and deliver strong financial performance

Growing our assets, with average AUA **+5%** vs 1H24…

…and our strong operating margin increased to **19bps** in 1H25…

£179m
+20% vs 1H24

…drives growing IFRS adjusted 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…

Product	Asset management	Engagement
Launched Guaranteed Lifetime Income plan	In-housing annuity-backing assets	Launched digital annuity application process
BPA innovation through longevity insurance novations	Broadening private asset solutions	Rolled-out Annuity desk

…and deliver strong financial performance

Growing our assets, with average AUA **+2%** vs 1H24…

…with annuity capital strain of **c.3%**†

+10%
Group CSM growth

£286m
+36% vs 1H24 IFRS adjusted operating profit

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

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

Pensions and Savings — £190bn AUA

Asset management strategy:

Maintain existing outsourced model for policyholder asset management

Progress:

Consolidating the number of asset managers we work with, Aberdeen remains our key asset management strategic partner

Outcomes:

- ✓ Supports delivery of fund simplification management actions
- ✓ Improves value for money for customers

Retirement Solutions — £39bn AUA

Asset management strategy:

Evolving to predominantly in-house management of annuity-backing assets

Progress:

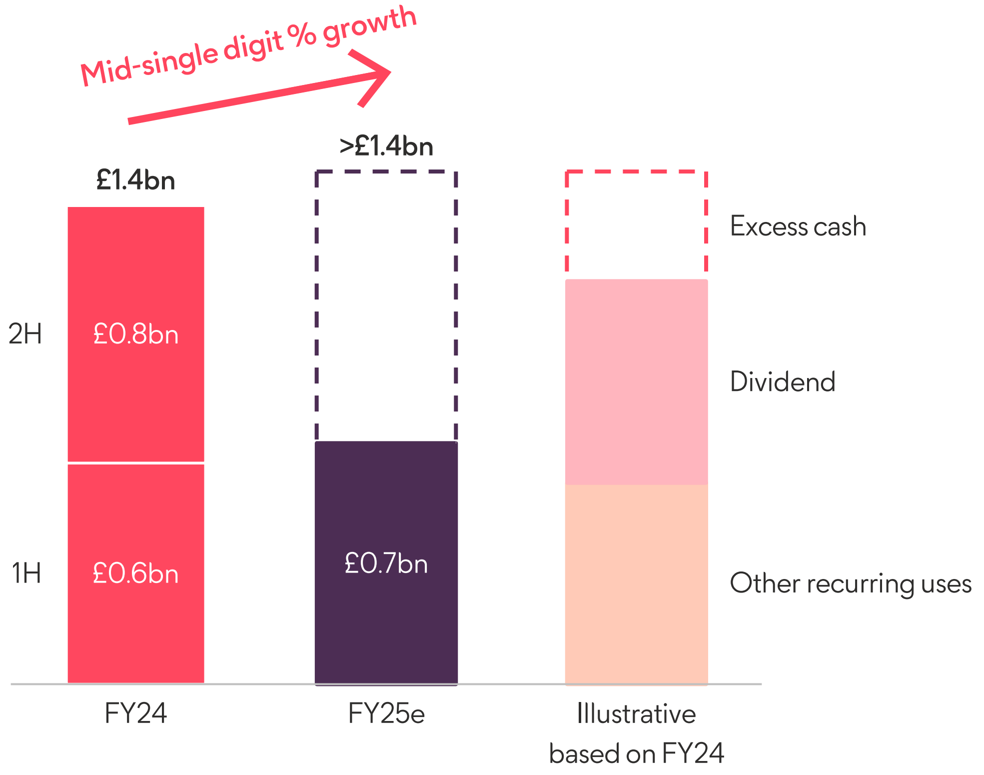
Currently managing £5bn in-house, preparing to in-house further c.£20bn of annuity-backing assets

Outcomes:

- ✓ Supports delivery of annuity portfolio re-optimisation management actions
- ✓ Improves 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

Continued momentum towards our 2026 targets

Nicolaos Nicandrou
Group Chief Financial Officer

Successful execution of our strategic priorities is driving improved business performance

Cash | Capital | Earnings

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

Strong financial performance with positive movement on key metrics

Cash | Capital | Earnings

Cash

Operating Cash Generation
£705m
1H24: £647m

Total cash generation
£784m
1H24: £950m

Capital

Shareholder Capital Coverage Ratio[2]
175%
FY24: 172%

Solvency II leverage ratio[3]
34%
FY24: 36%

Earnings

IFRS adjusted operating profit
£451m
1H24: £360m

IFRS loss after tax
£(156)m
1H24: £(646)m

IFRS adjusted shareholders' equity £3.4bn (FY24: £3.7bn)

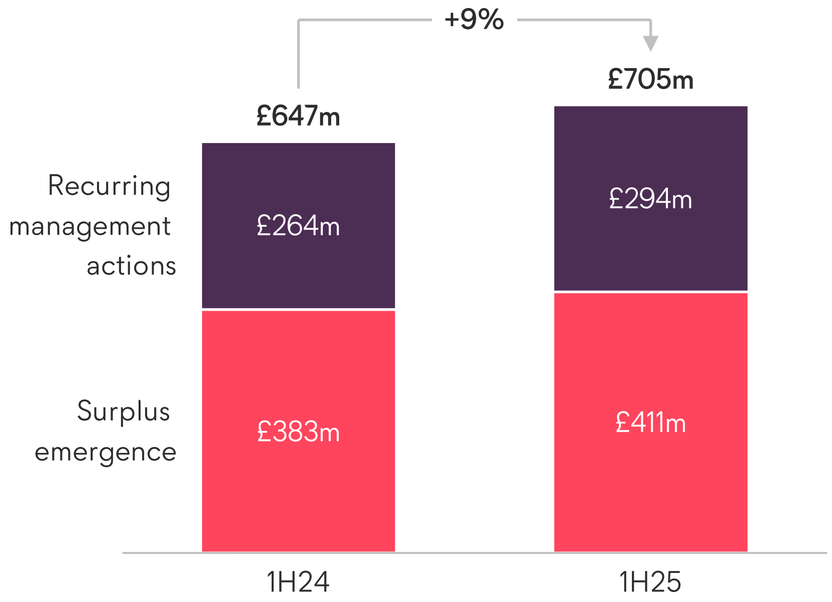
Interim dividend per share of 27.35p (1H24: 26.65p)

See Appendix 23 for footnotes

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

Cash Capital Earnings

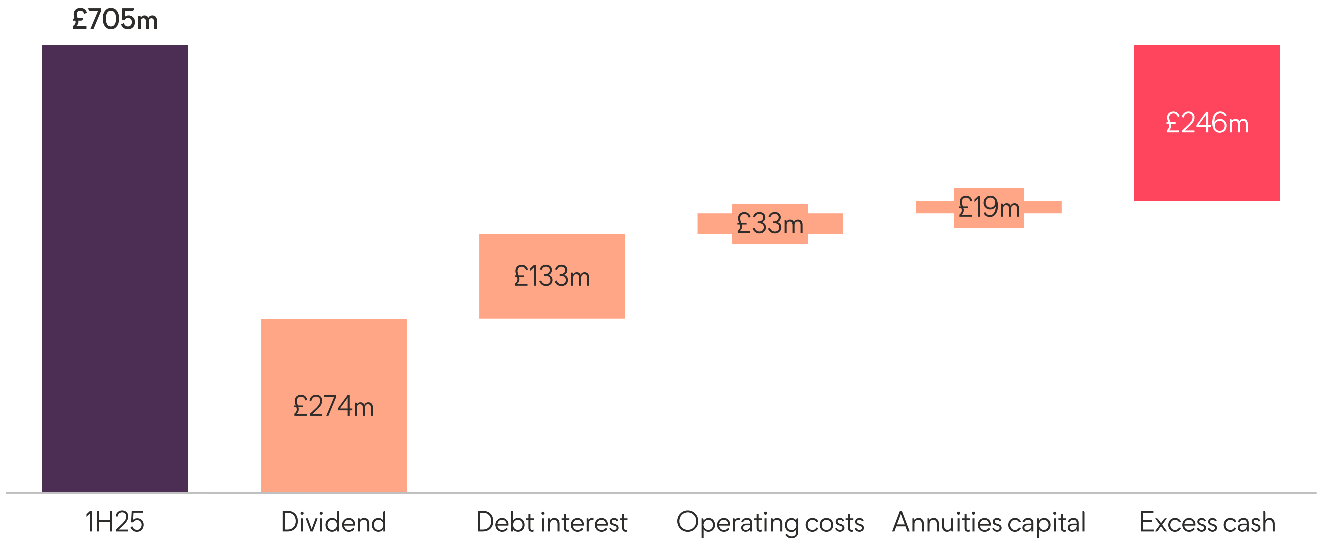
9% growth in OCG to £705m



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

Delivered £294m recurring management actions

Cash | Capital | Earnings

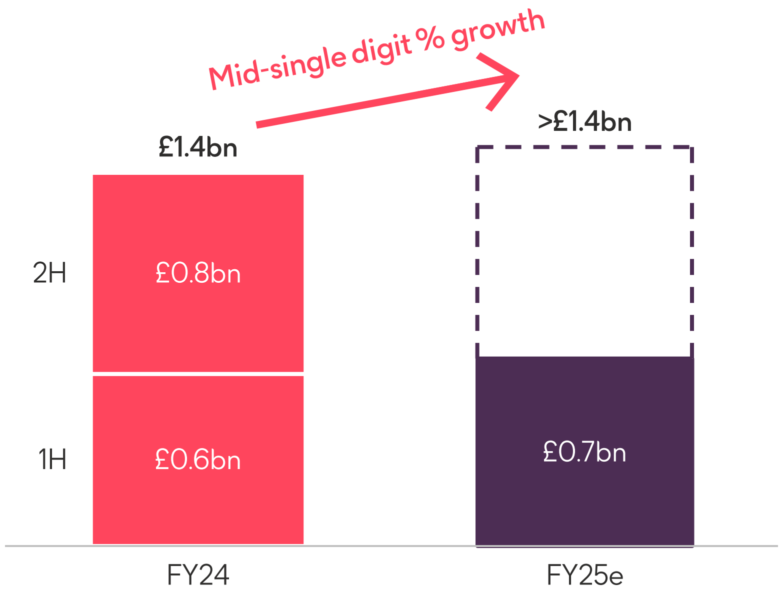
	Annuity portfolio re-optimisation	Capital improvements	Fund simplification
What we do:	• Evolve our annuity-backing assets whilst staying cashflow and maturity matched	• Improve our capital and balance sheet modelling as investment universe evolves	• Increase efficiency of fund management expense as asset base grows
How we do it:	• Outperform new business pricing • Optimise relative value within corporate and government bond portfolios	• Enrich asset data and calculation granularity enabling greater accuracy of risk calibration	• Fee reviews of investment management agreements • Reduce number of funds
1H25 delivery:	**£189m** 1H24: £184m	**£81m** 1H24: £nil	**£24m** 1H24: £80m

On track to deliver c.£500m per annum in line with guidance

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

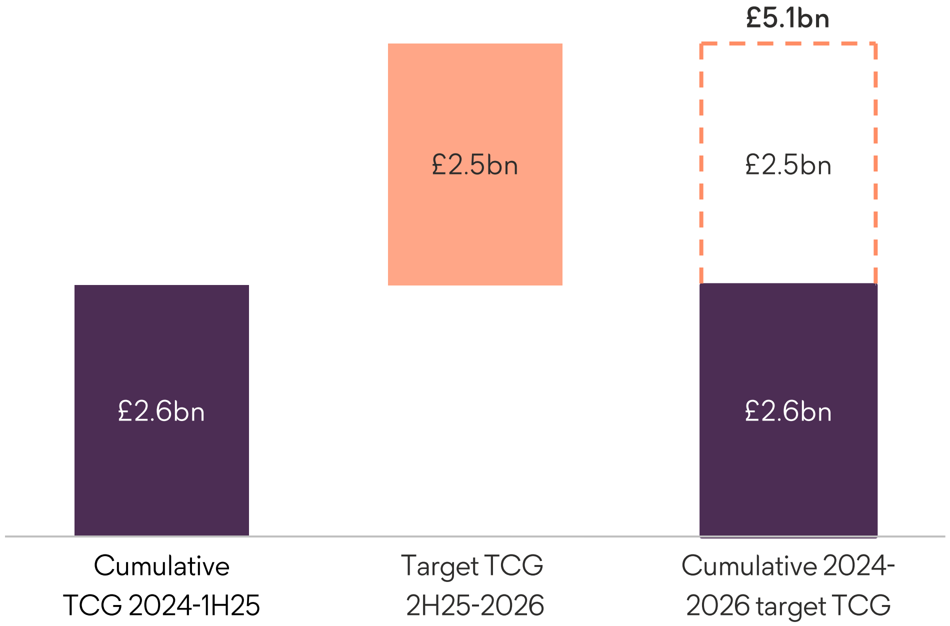
Cash Capital Earnings

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

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

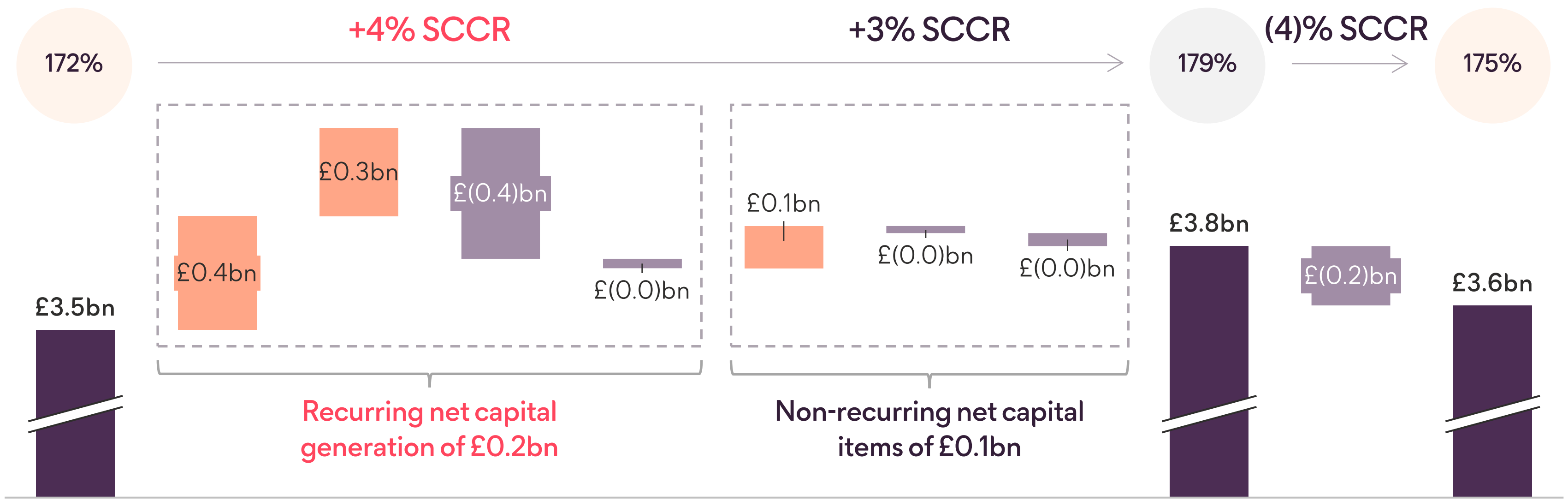


- £5.1bn TCG gives substantial flexibility to address leverage over 2025-2026 period, £0.65bn excess cash generated†
- Target of £5.1bn underpinned by OCG growth and delivery of remaining non-recurring items

† See Appendix 2 for sources and uses

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

Cash Capital Earnings



Recurring Own Funds of c.£0.2bn

Non-recurring Own Funds of c.£0.0bn

	FY24 SII Surplus	Surplus emergence and release of SCR	Recurring management actions	Operating costs, debt interest and dividend	New business strain[11]	Other management actions	Economics & temp. strain	Investment spend & other	Surplus pre-debt repayment	Debt repayment	HY25 SII Surplus
Shareholder Own Funds	**£8.4bn**	£0.3bn	£0.3bn	£(0.4)bn	-	£0.1bn	-	£(0.1)bn	**£8.6bn**	£(0.2)bn	**£8.4bn**
SCR	**£4.9bn**	£(0.1)bn	-	-	£0.1bn	-	-	£(0.1)bn	**£4.8bn**	-	**£4.8bn**

- Other management actions include:
  - In-housing of annuity-backing assets
  - With-Profits simplification
- Investment spend & other comprises of:
  - Ongoing investment spend to Grow, Optimise and Enhance
  - Partially offset by benefit of Wipro strategic partnership

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

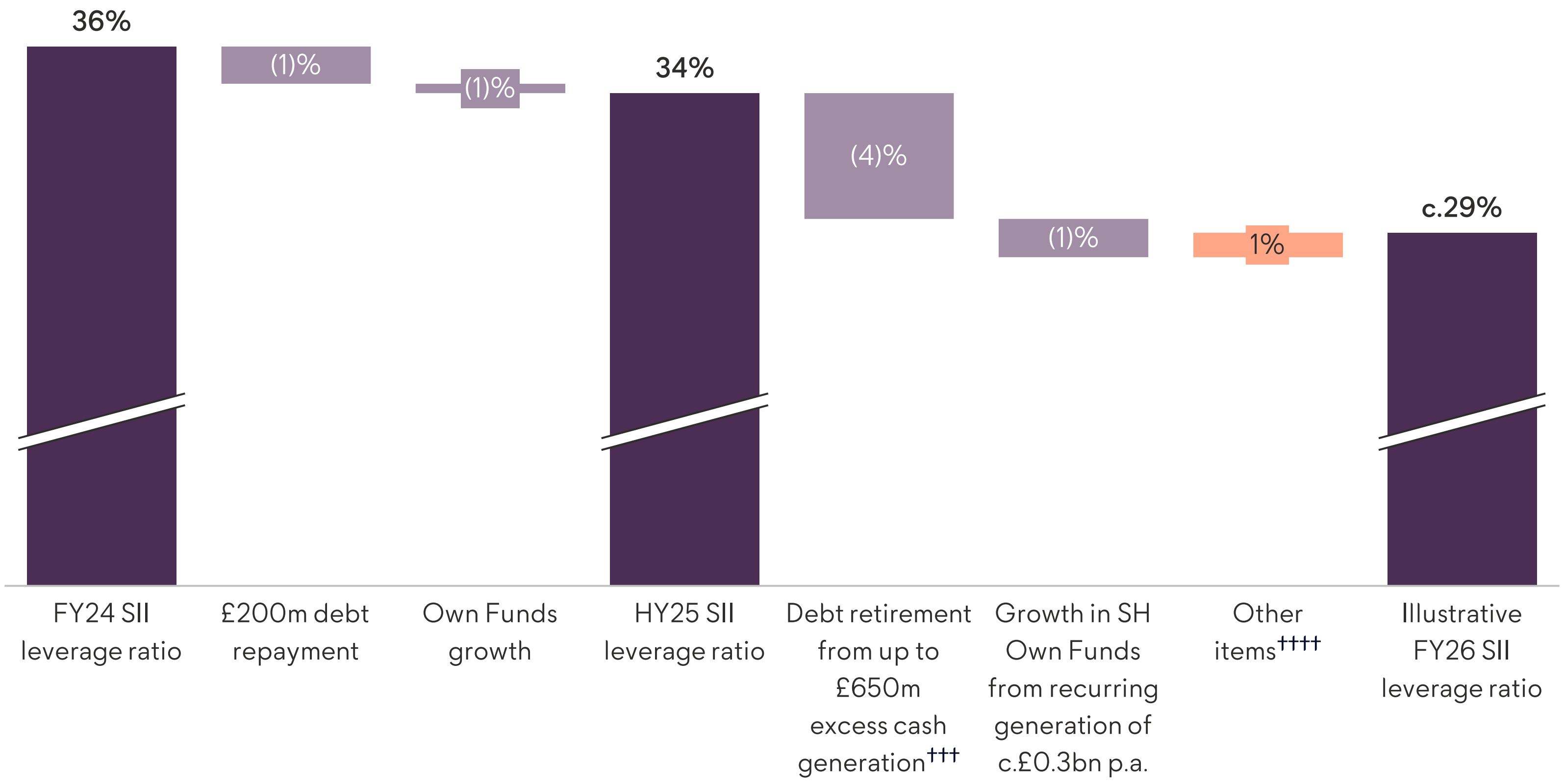
Leverage ratio improved to 34% and remains on track for c.30% target

Cash Capital Earnings

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

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

Cash Capital **Earnings**

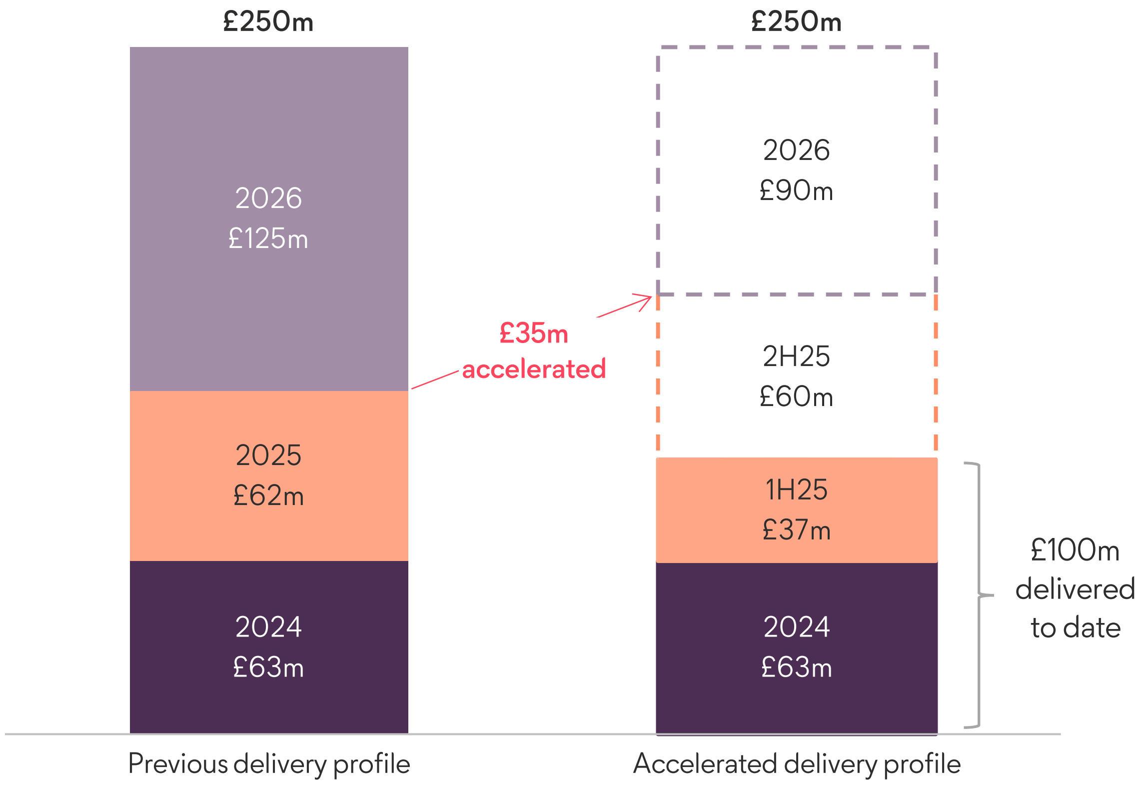
	1H24	1H25	YoY % growth
Pensions and Savings	£149m	£179m	+20%
Retirement Solutions	£210m	£286m	+36%
Europe and Other	£50m	£41m	(18)%
With-Profits	£3m	£4m	+33%
Corporate Centre	£(52)m	£(59)m	(13)%
IFRS adjusted operating profit	**£360m**	**£451m**	**+25%**

- 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

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

Cash Capital Earnings

Run-rate cost savings†

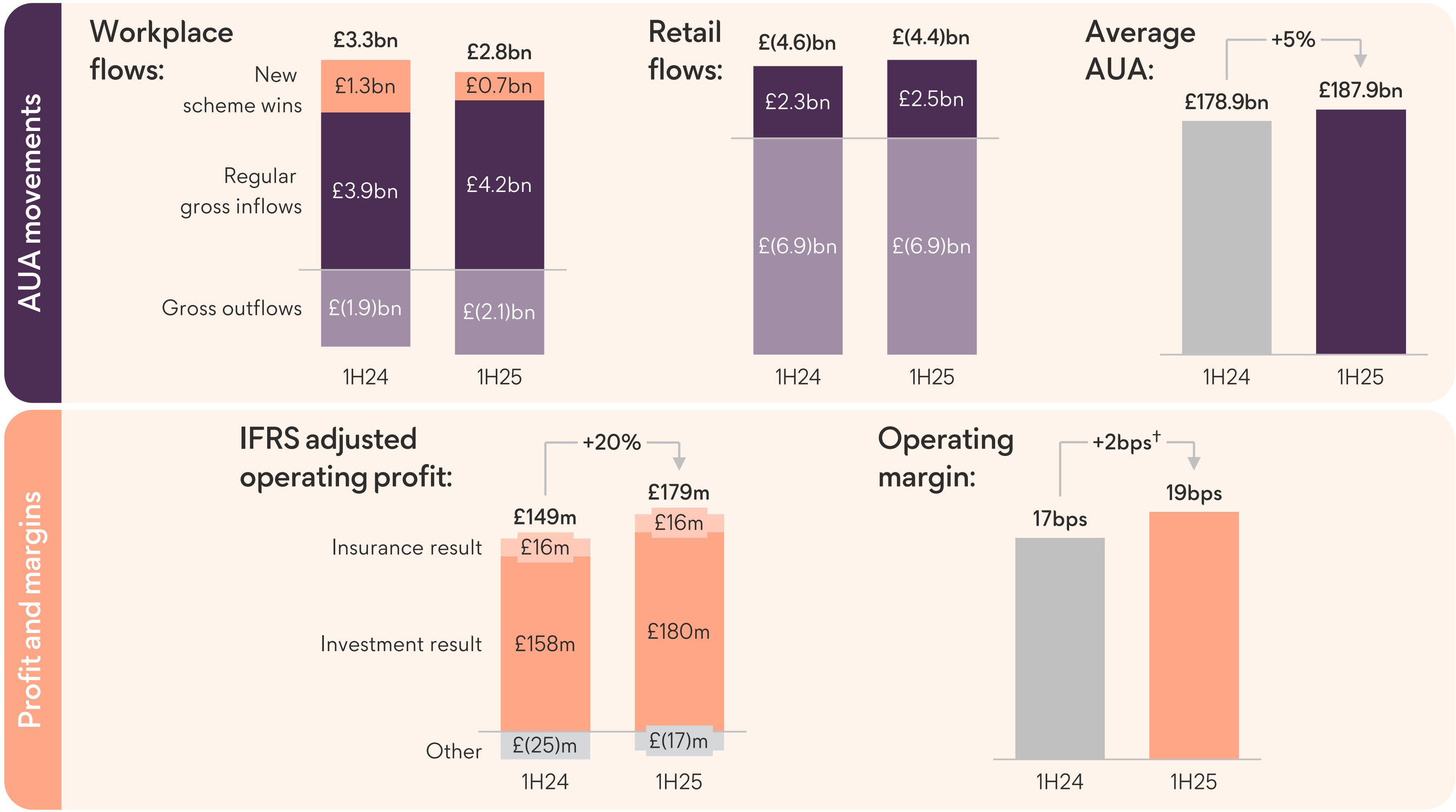


- Accelerated run-rate cost savings delivery profile:
  - Introduction of Wipro as a strategic partner and other operating model changes
  - c.£160m expected by FY25, with £35m brought forward from FY26
- Total of £100m run-rate savings to date of which £40m earned in period
- Cost savings are a key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

† Compared to FY23 £1.2bn cost base

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

Cash Capital Earnings



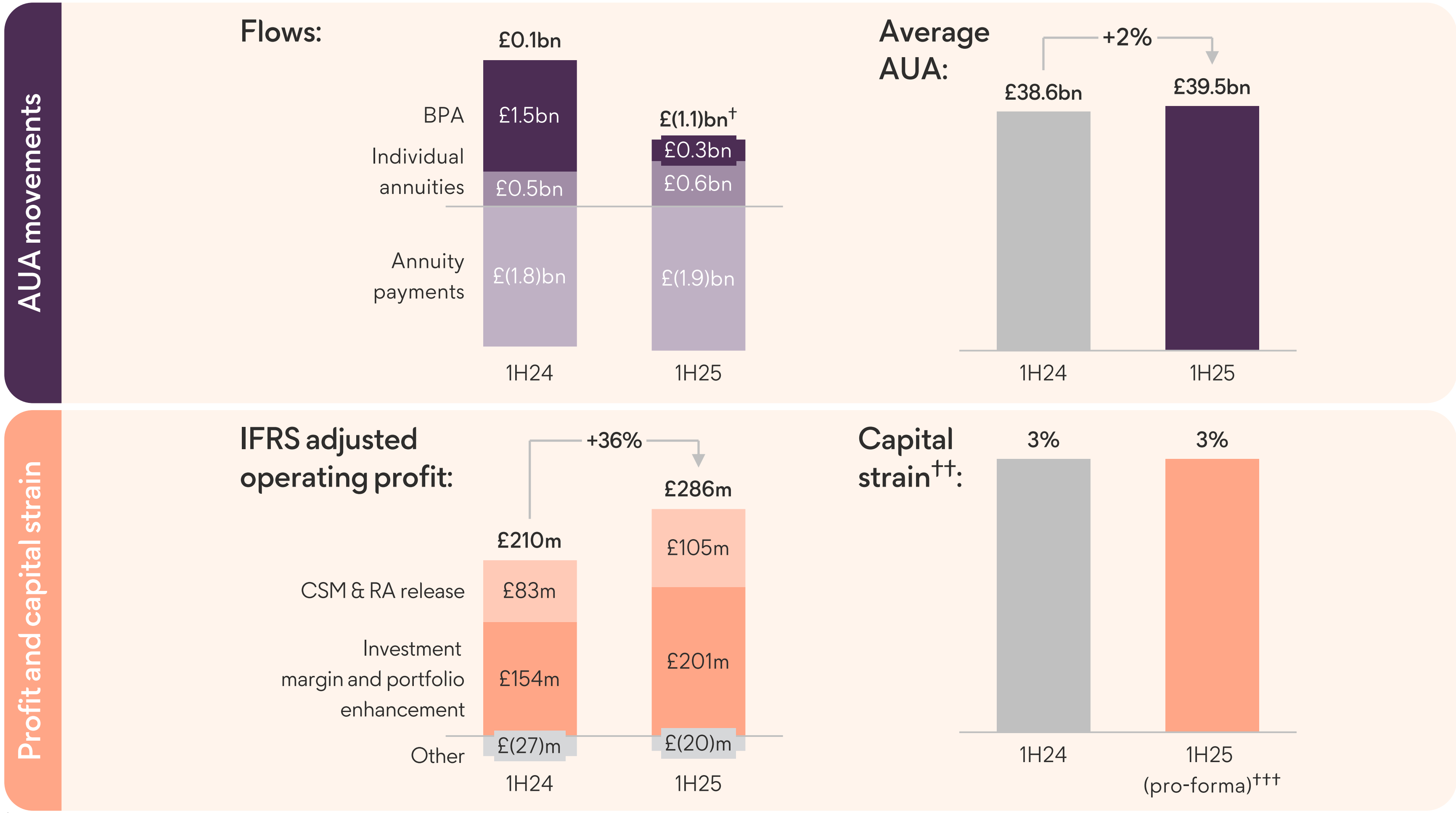
- Workplace: strong gross inflows; 1H24 included £0.9bn large scheme win
- Retail: improvement in net outflows reflecting green shoots of retail strategy
- IFRS adjusted operating profit increased 20% to £179m
  - Investment result reflects higher fee revenues from 5% rise in average AUA
  - Lower overall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

† Operating margin based on average AUA

Phoenix

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

Cash Capital Earnings

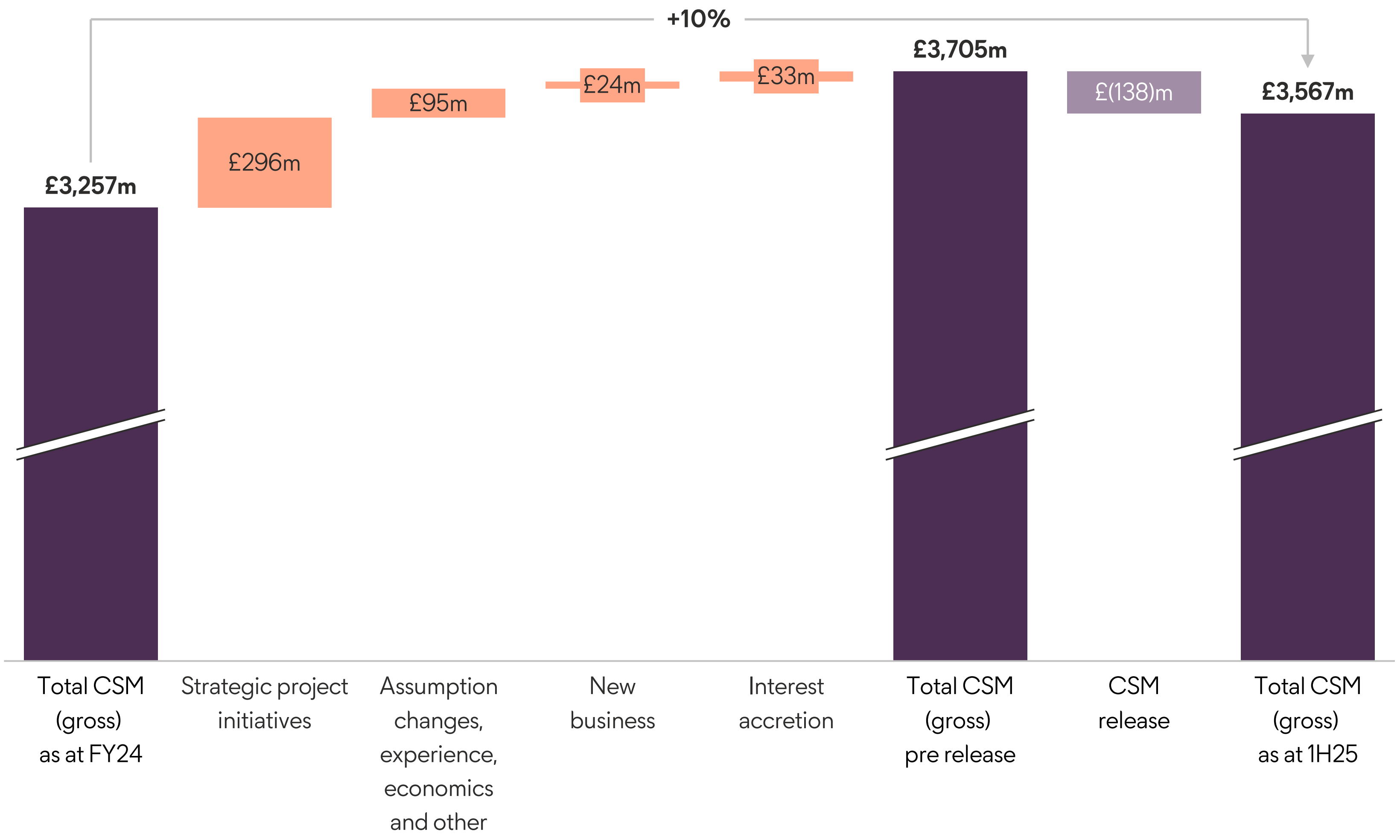


- BPA: disciplined market participation with £0.3bn completed in 1H and an additional £2.9bn deals completed or exclusive since half year
- Individual annuities: strong c.20% growth to £0.6bn, supported by demand for innovative solutions
- IFRS operating profit up 36% to £286m driven by:
  - Higher CSM 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

Strategic execution drives 10% Contractual Service Margin growth

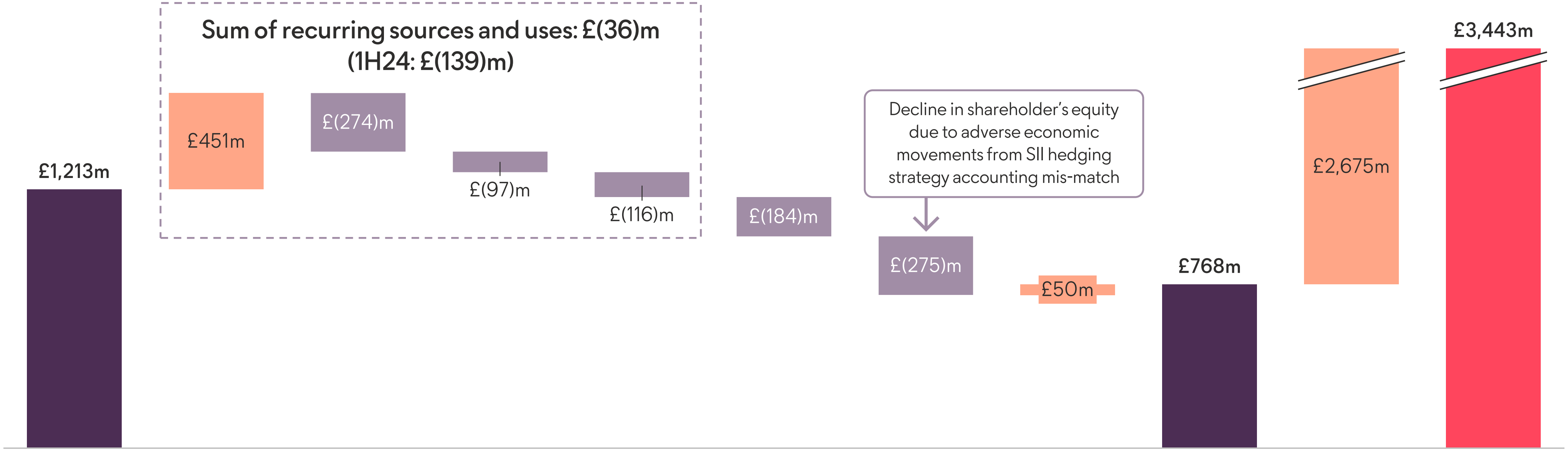
Cash Capital Earnings



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

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

Cash Capital Earnings



	IFRS Shareholders' equity as at 1 Jan 25	IFRS adjusted operating profit	Dividend	Debt interest	Amortisation of intangibles	Non-operating expenses	Economics	Tax & other items recognised in equity	IFRS Shareholders' equity as at 1H25	CSM (net of tax)	IFRS Adjusted shareholders' equity as at 1H25
1H24[12]	**£2,742m**	£360m	£(267)m	£(101)m	£(131)m	£(302)m	£(698)m	£278m	**£1,881m**	£2,350m	**£4,231m**
2H24	**£1,881m**	£465m	£(266)m	£(103)m	£(139)m	£(218)m	£(599)m	£192m	**£1,213m**	£2,443m	**£3,656m**

See Appendix 23 for footnotes

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

Cash | Capital | Earnings

Cash

Operating Cash Generation

£705m

Mid-single digit % growth per annum

Capital

Shareholder Capital Coverage Ratio[2]

175%

140-180% target range

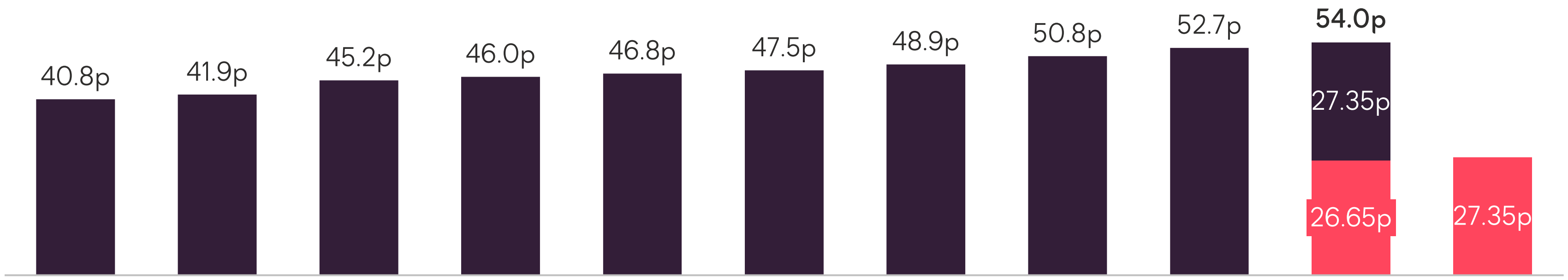
Earnings

Distributable reserves of parent company FY24

£5.6bn

Phoenix Group Holdings plc

Dividend track record



- ✓ Strong track record of dividend growth, with growth of 3% YoY
- ✓ Shareholders' equity expected to grow from 2027 excluding economics
- ✓ IFRS consolidated shareholders' equity is not a constraint to the payment of our dividends[1]

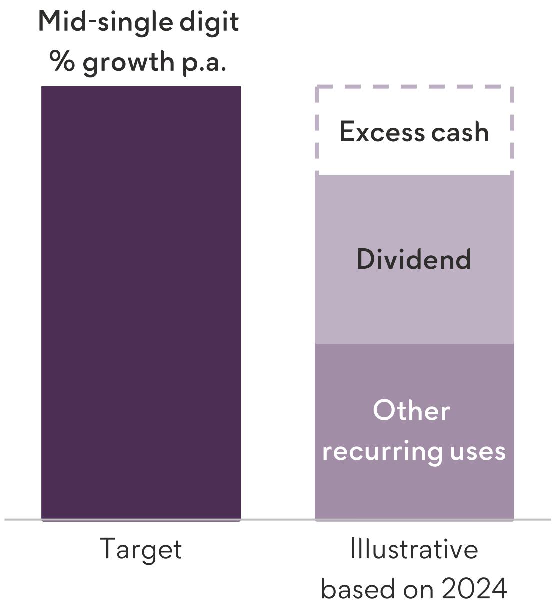
See Appendix 23 for footnotes

Increased certainty of delivering our 3-year targets

Cash Capital Earnings

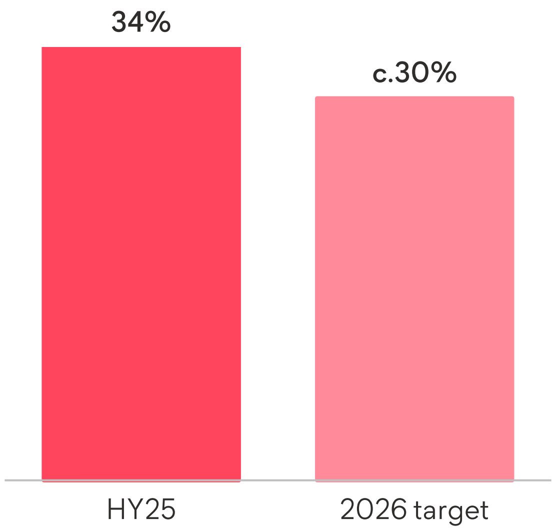
Cash

Growing OCG delivering excess cash every year



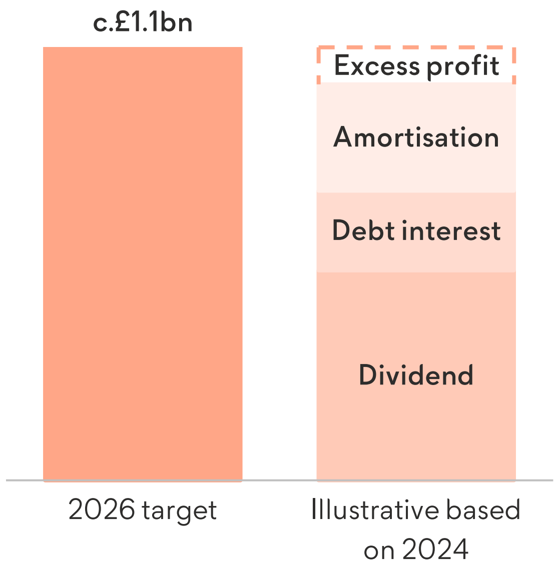
Capital

Excess cash generation supports deleveraging target



Earnings

IFRS adjusted operating profit target covers recurring uses



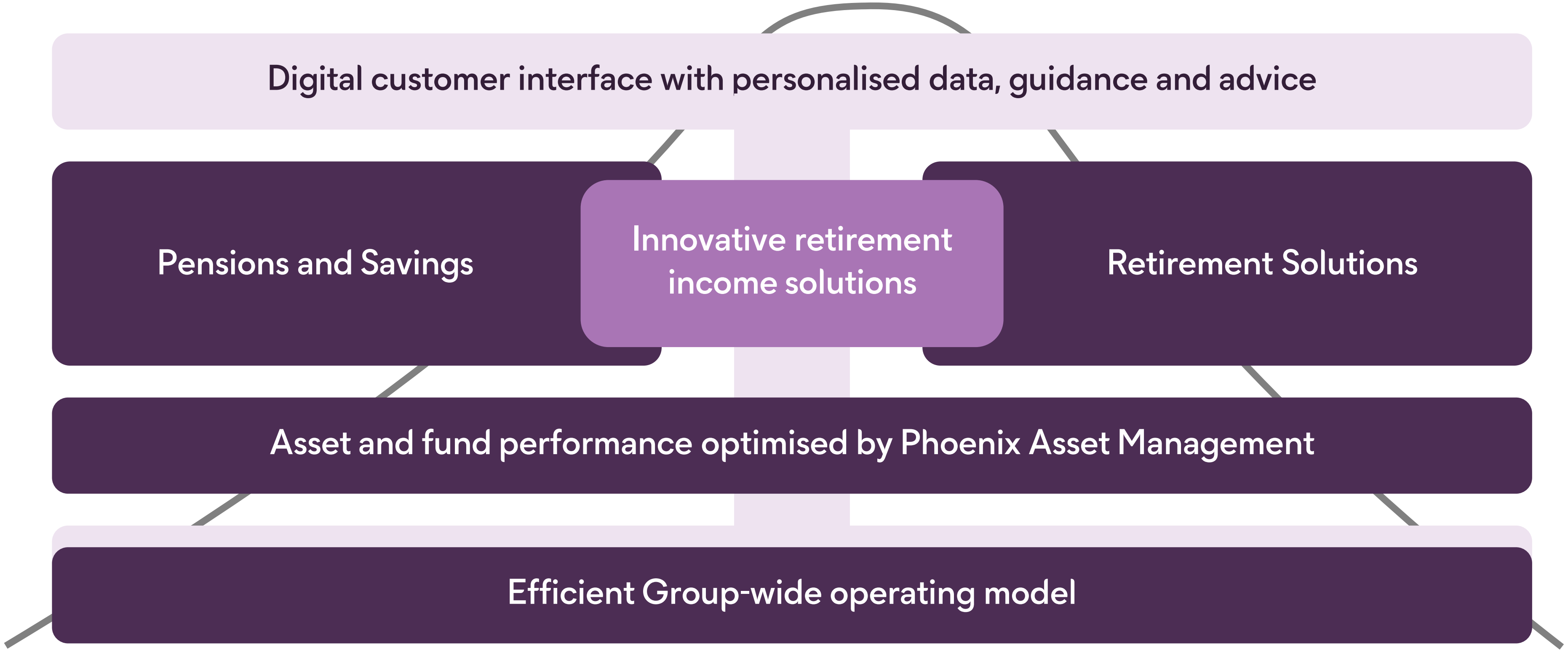
Financial framework delivers progressive and sustainable dividend policy[1]

See Appendix 23 for footnotes

Looking ahead

Andy Briggs
Group Chief Executive Officer

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

Lifetime savings and retirement income journey

Building momentum as we continue to deliver on 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
2H priorities: • **Engagement** - Launch advice proposition • **Products** - Launch Smooth Managed Fund with Quilter	• **Asset management** – Preparing to in-house c.£20bn annuity assets • **Deleveraging** – Optimise allocation of excess cash	• **Migrations** - Move 1.1m pension customers to TCS BaNCS • **Cost savings** - Range of actions to hit c.£160m run rate

Phoenix Group is becoming Standard Life plc

Effective March 2026

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

Q&A

Appendix

Appendices

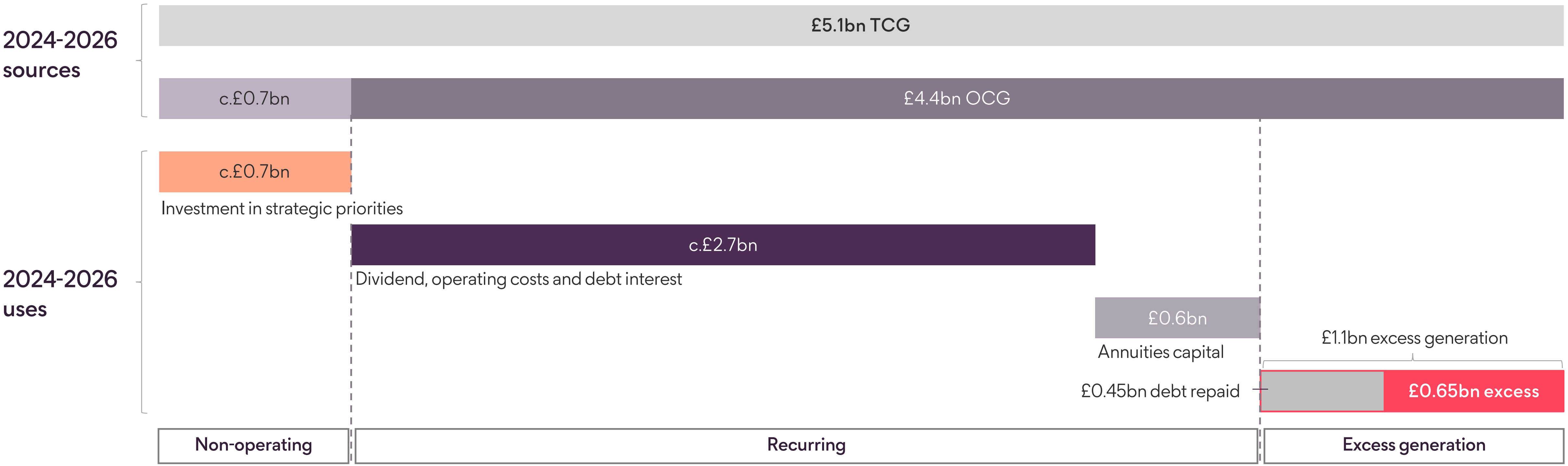
Appendix 1: Group cash flow analysis

	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 £(3)m 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

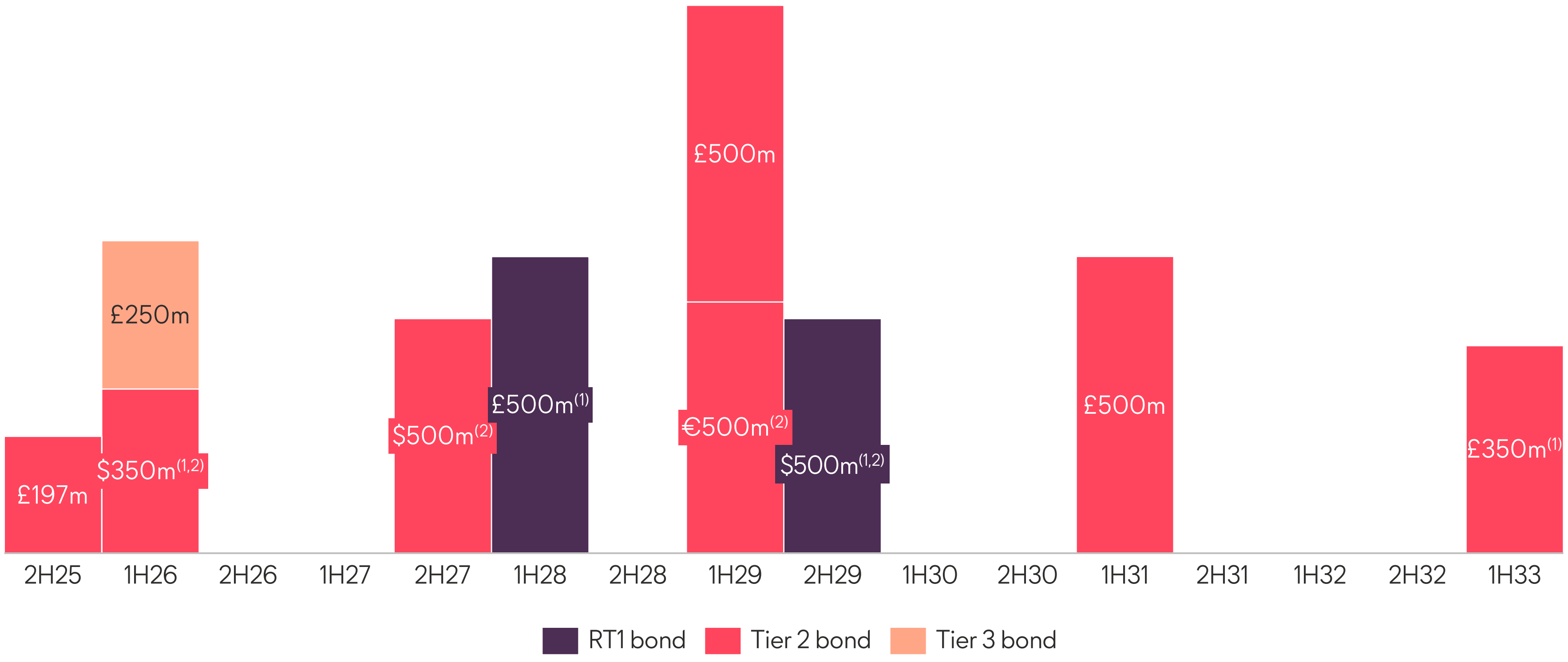


Capital allocation approach:

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



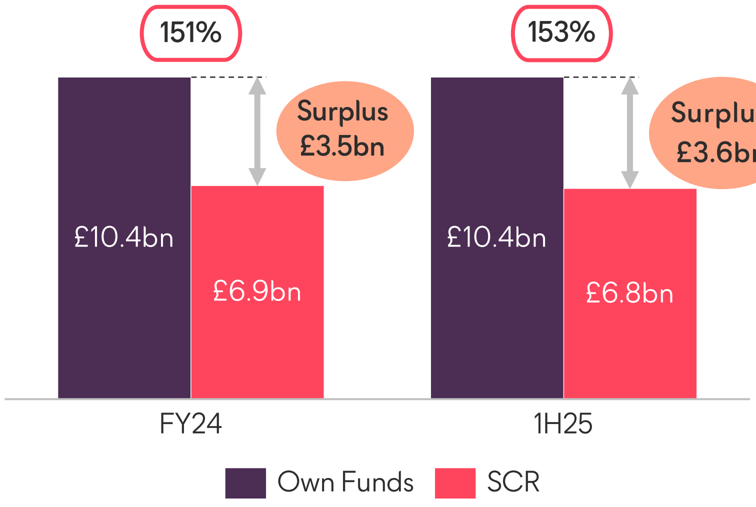
Leverage ratios

	FY24	1H25
SII leverage[3,6]	36%	34%
Fitch basis[4,6]	23%	24%
IFRS basis[5,6]	52%	52%

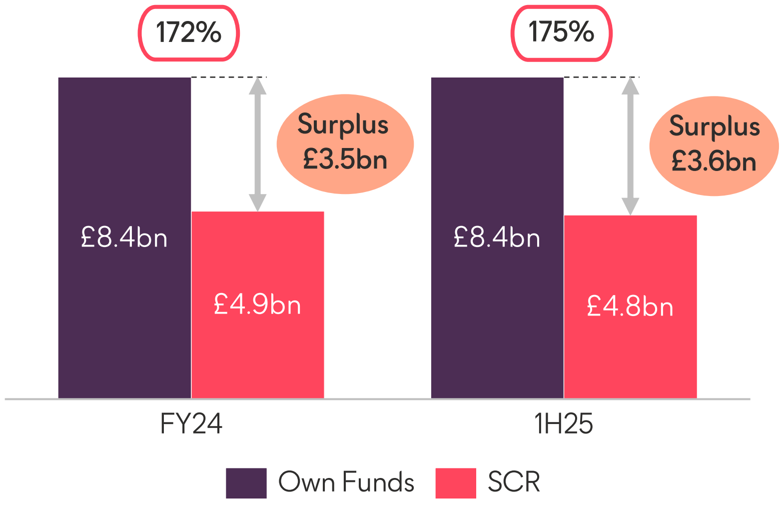
[1] First optional redemption
[2] All currency debt converted into GBP based on the closing 30 June 2025 exchange rates
[3] SII leverage calculation = debt (all debt including RT1) / SII regulatory eligible Own Funds
[4] Fitch leverage ratio is estimated by management based on Fitch's published methodology (calculation = debt (all debt excluding RT1) / debt + equity (adjusted shareholders' equity + NCI + policyholder surplus in With-Profits funds + RT1))
[5] IFRS leverage calculation = debt (all debt including RT1) / debt + equity (adjusted shareholders' equity)
[6] Ratios allow for currency hedges over foreign currency denominated debt

Appendix 4: Additional Solvency II disclosures

PGH SII Regulatory Coverage Ratio

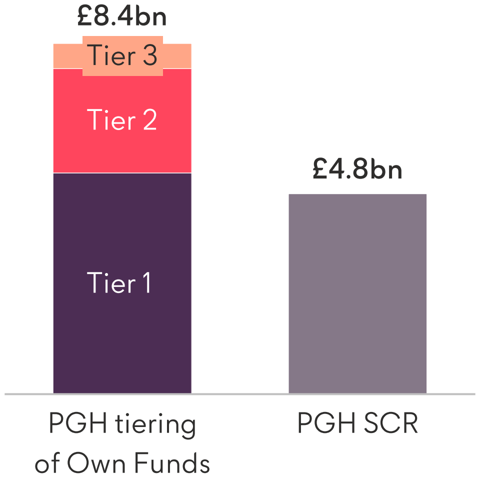


PGH SCCR[2]



	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**

1H25 PGH Own Funds by capital tier

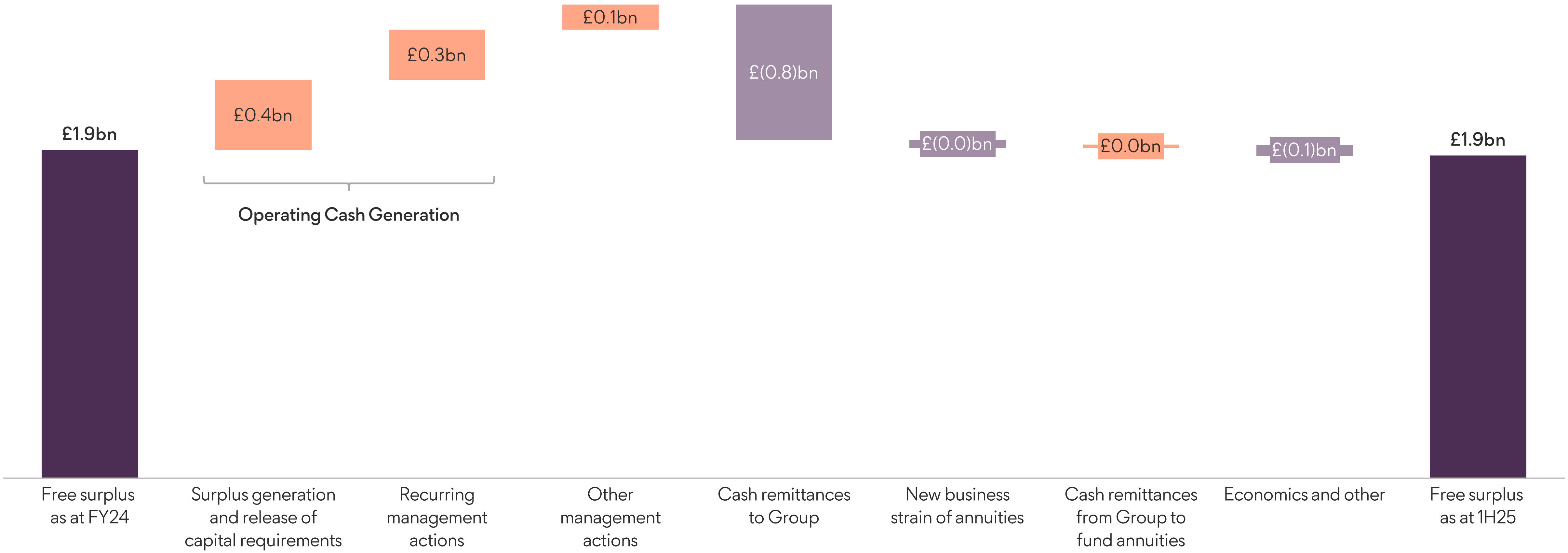


Share of SII Own Funds by capital tier

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

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

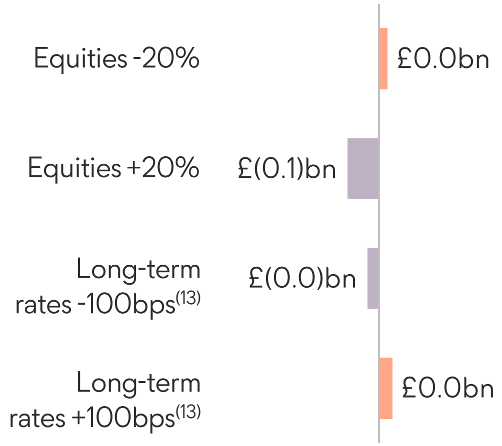
Reduced SCR on SII balance sheet

What we do

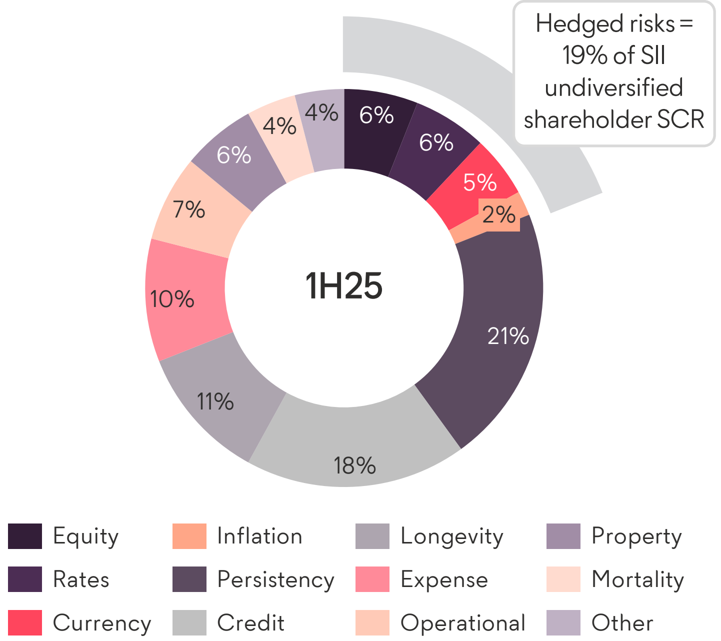
We hedge unrewarded market risks:

- Interest rates
- Inflation
- Currency
- Equity risk

Low SII surplus sensitivities – 1H25



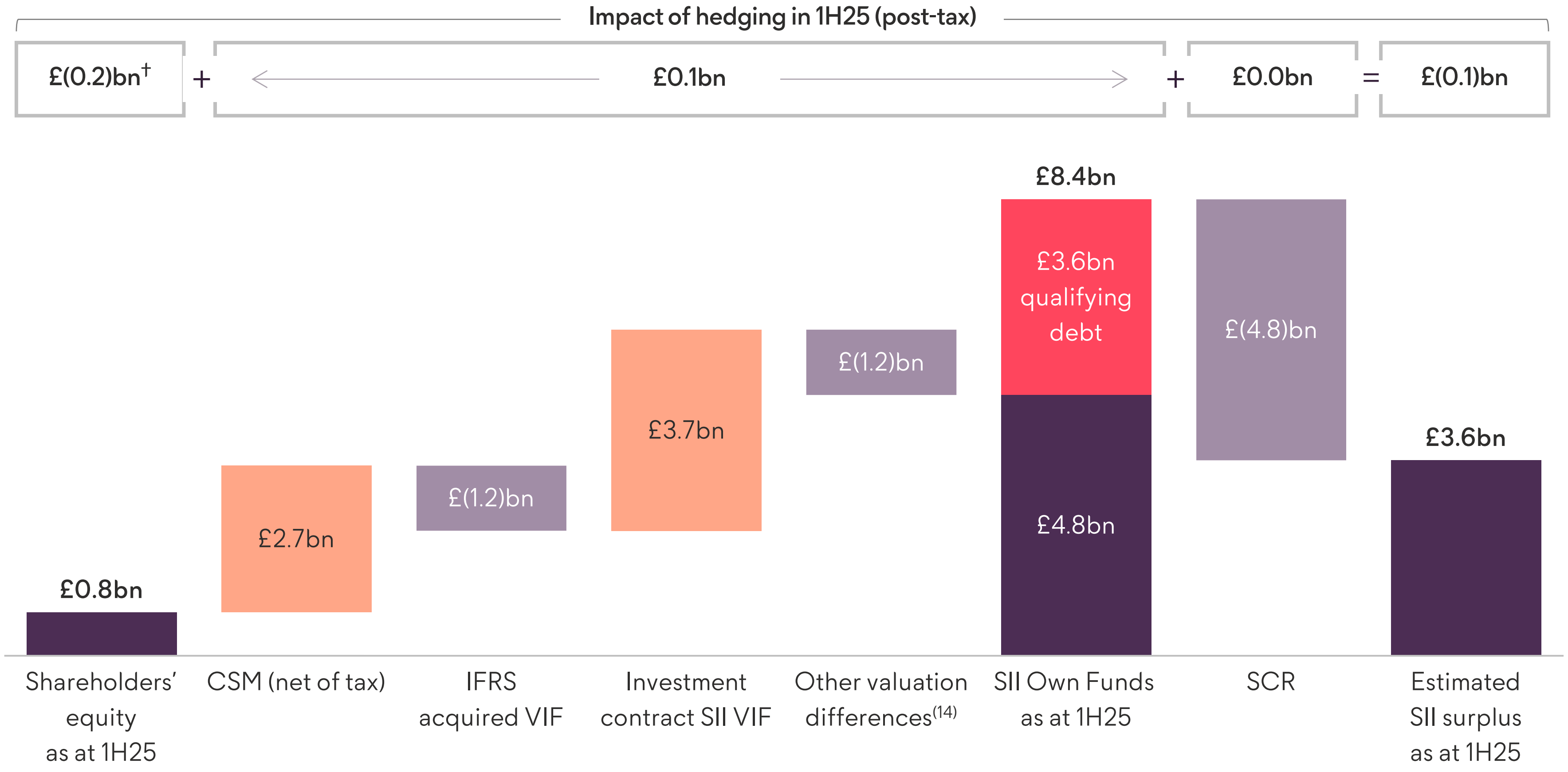
SII undiversified shareholder SCR†



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

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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]
Impact on Solvency II surplus	£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 SCCR[2] (Target range: 140-180%)	175%	5%	5%	(4)%	(1)%	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

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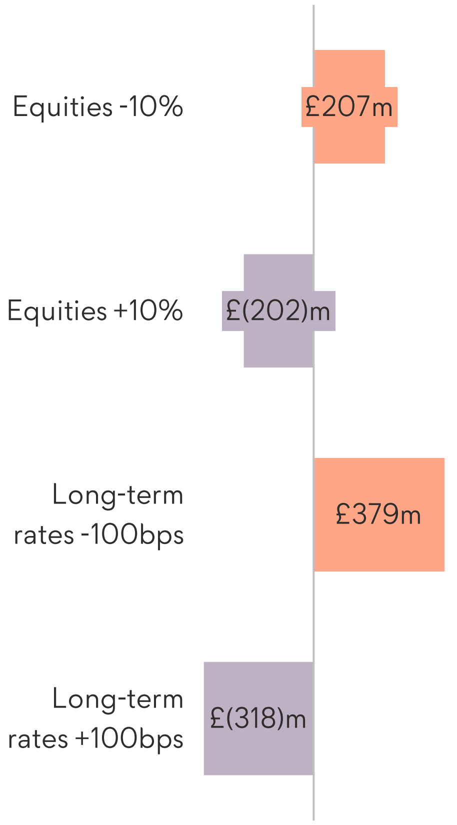
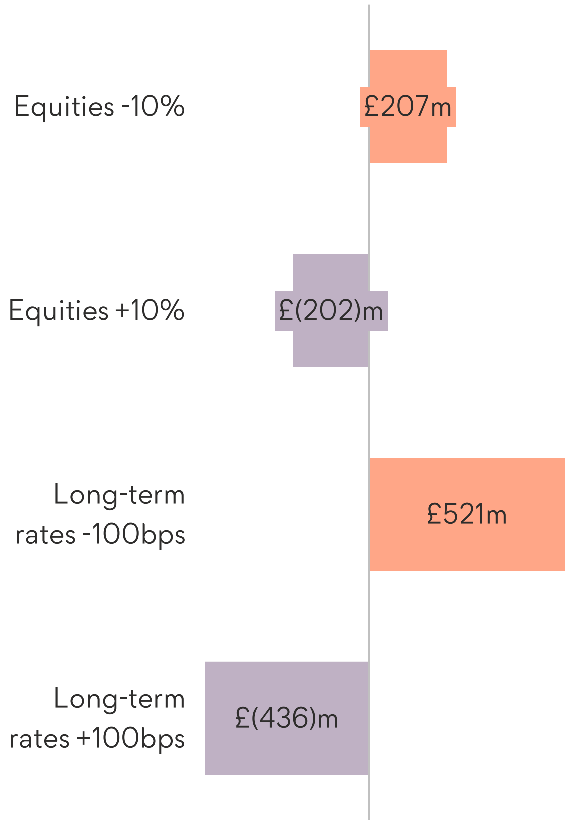
Appendix 9: IFRS sensitivities

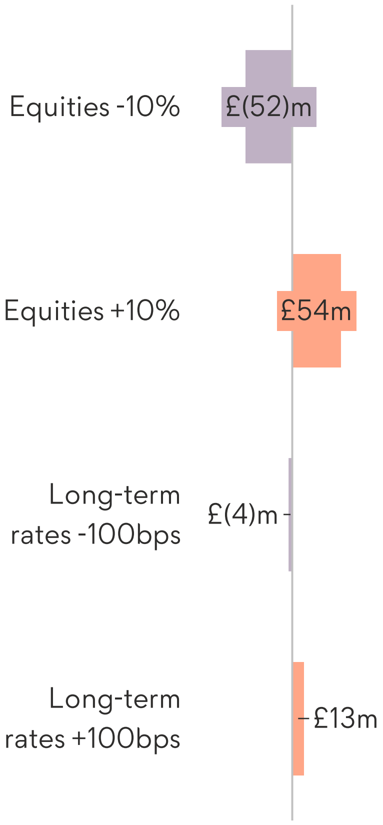
IFRS shareholders' equity



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		Outcome
✓ Non-recurring management action benefits	→	• 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
✓ Distributable profits and liquidity benefits	→	• Acceleration of future shareholder transfers
✓ Reduction in shareholder equity exposure and associated hedging	→	• c.10% reduction in group equity hedging • Reduced IFRS sensitivity to equity movements

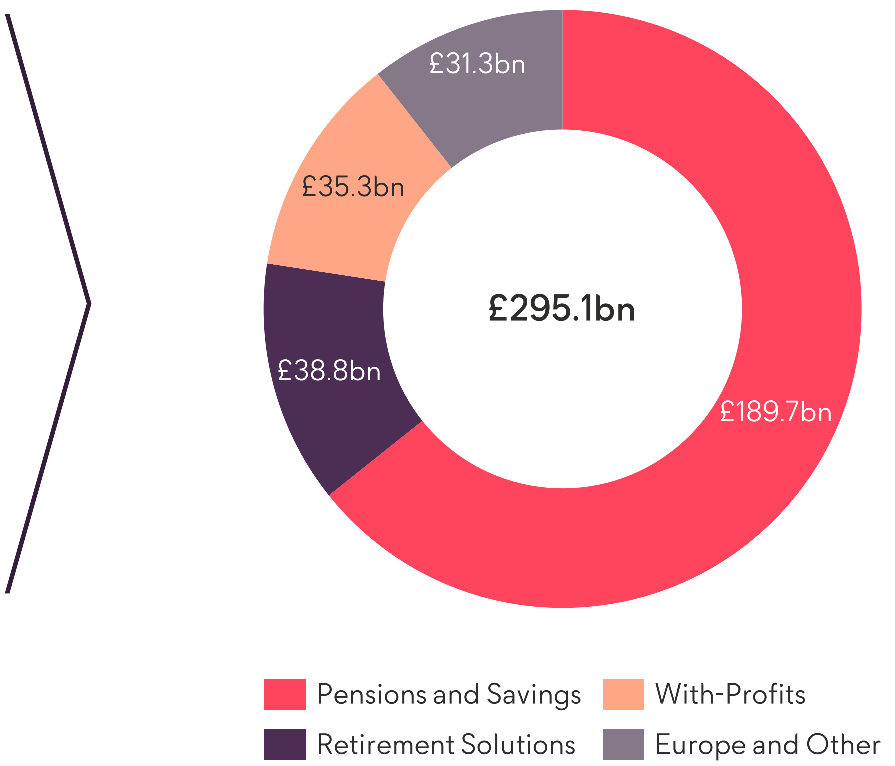
Fairness ensured through reviews by With-Profits Actuary, Independent Actuary, Life Board and Regulators

† 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

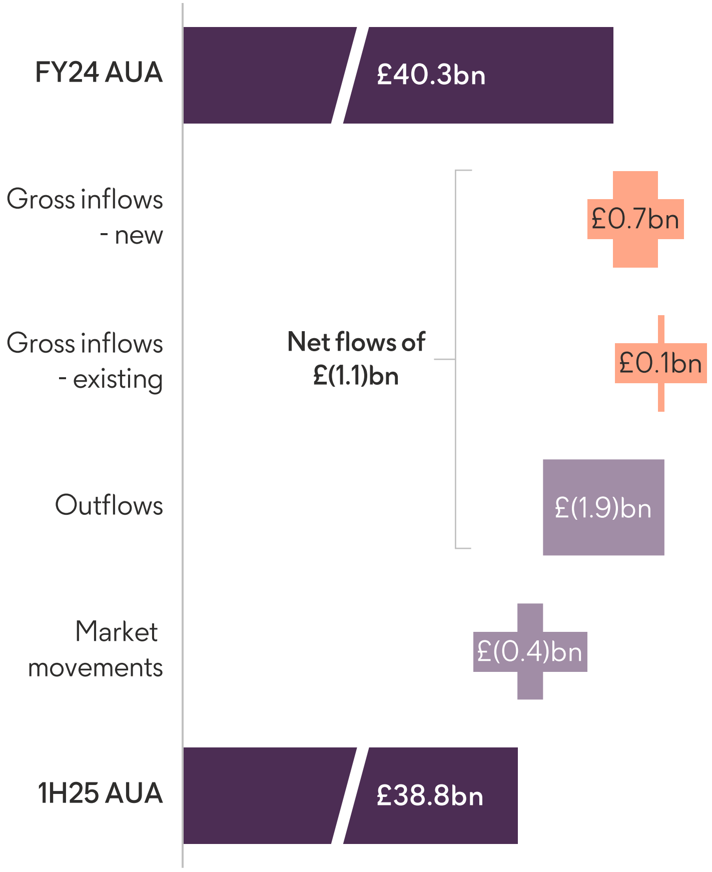
Movement in AUA from 1 January 2025 to 30 June 2025

Split by segment

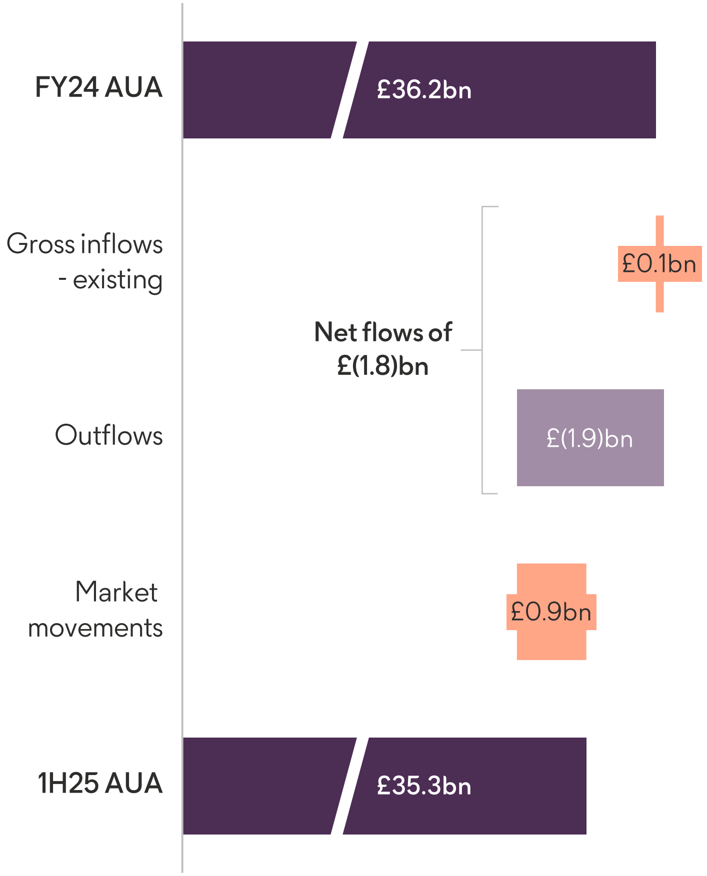


Appendix 12: Movement in assets under administration by segment

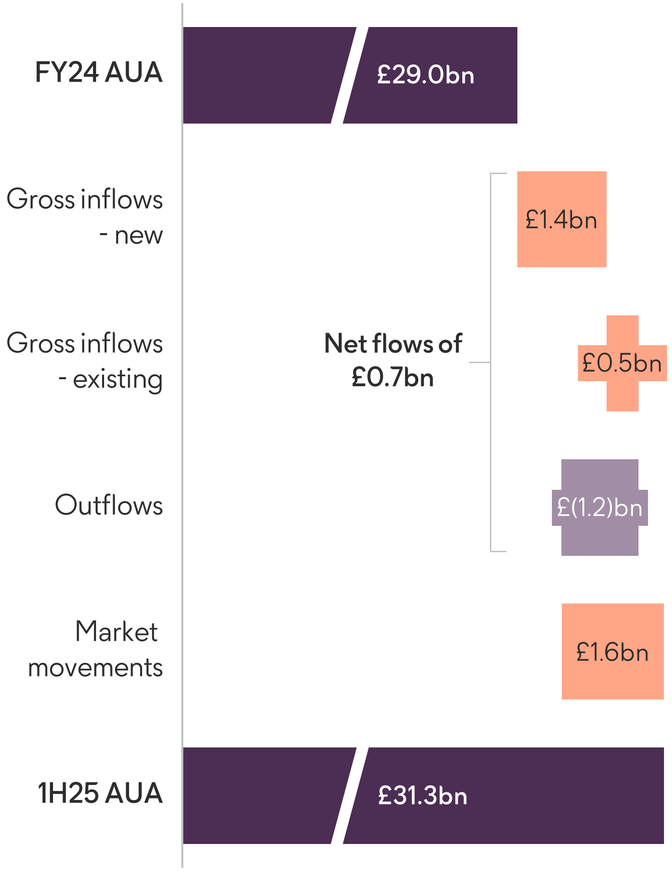
Retirement Solutions



With-Profits

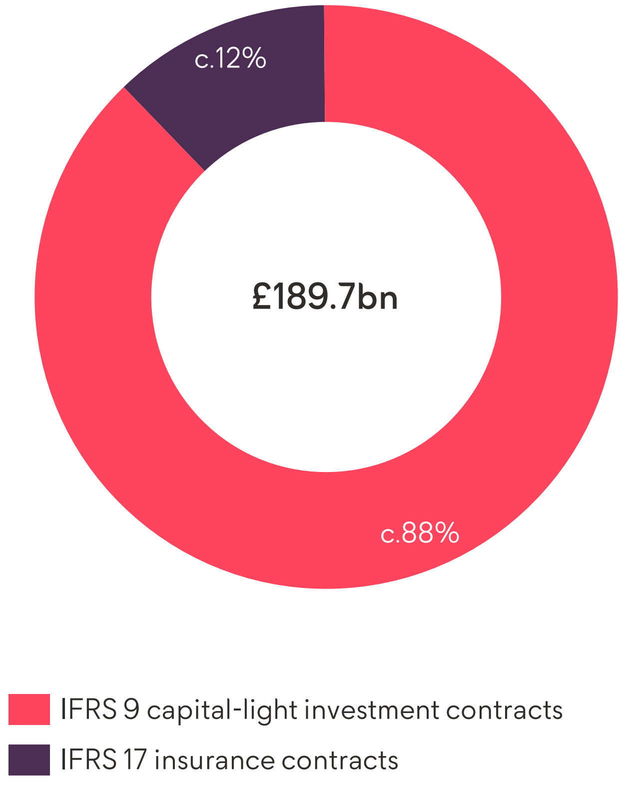


Europe and Other

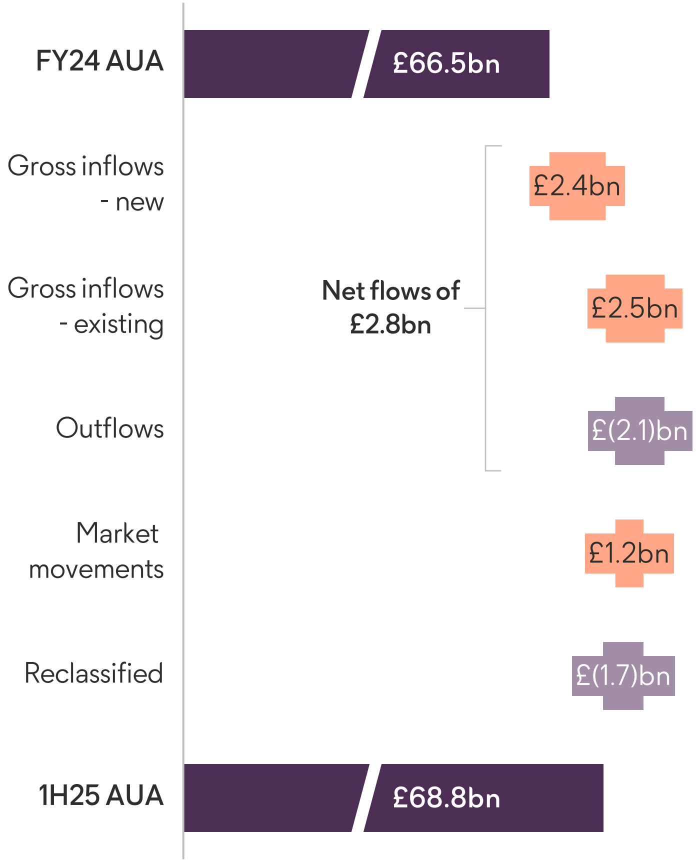


Appendix 13: Movement in assets under administration by segment (Pensions and Savings)

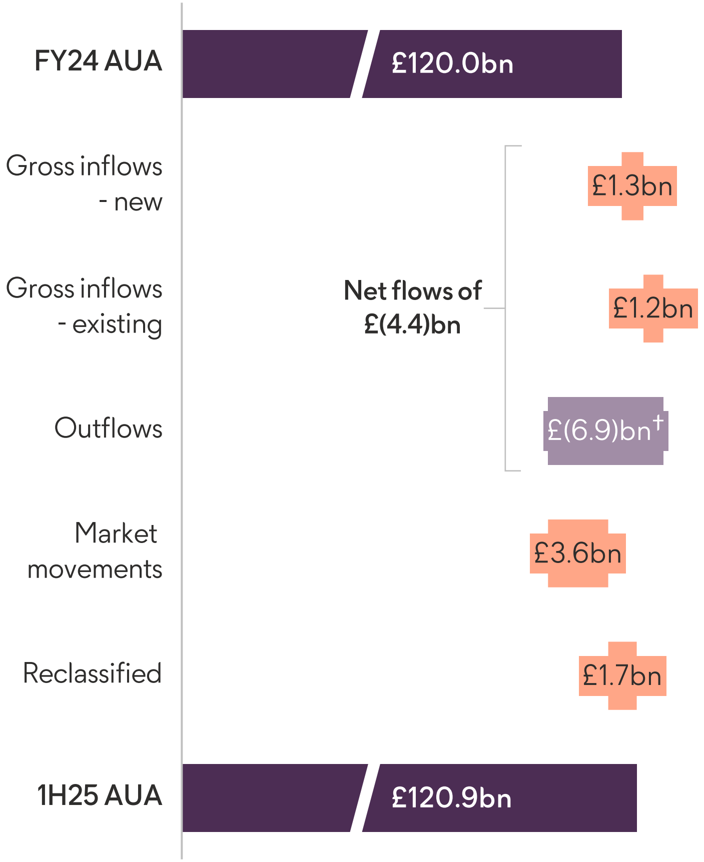
Pensions and Savings – total AUA



Pensions and Savings – Workplace

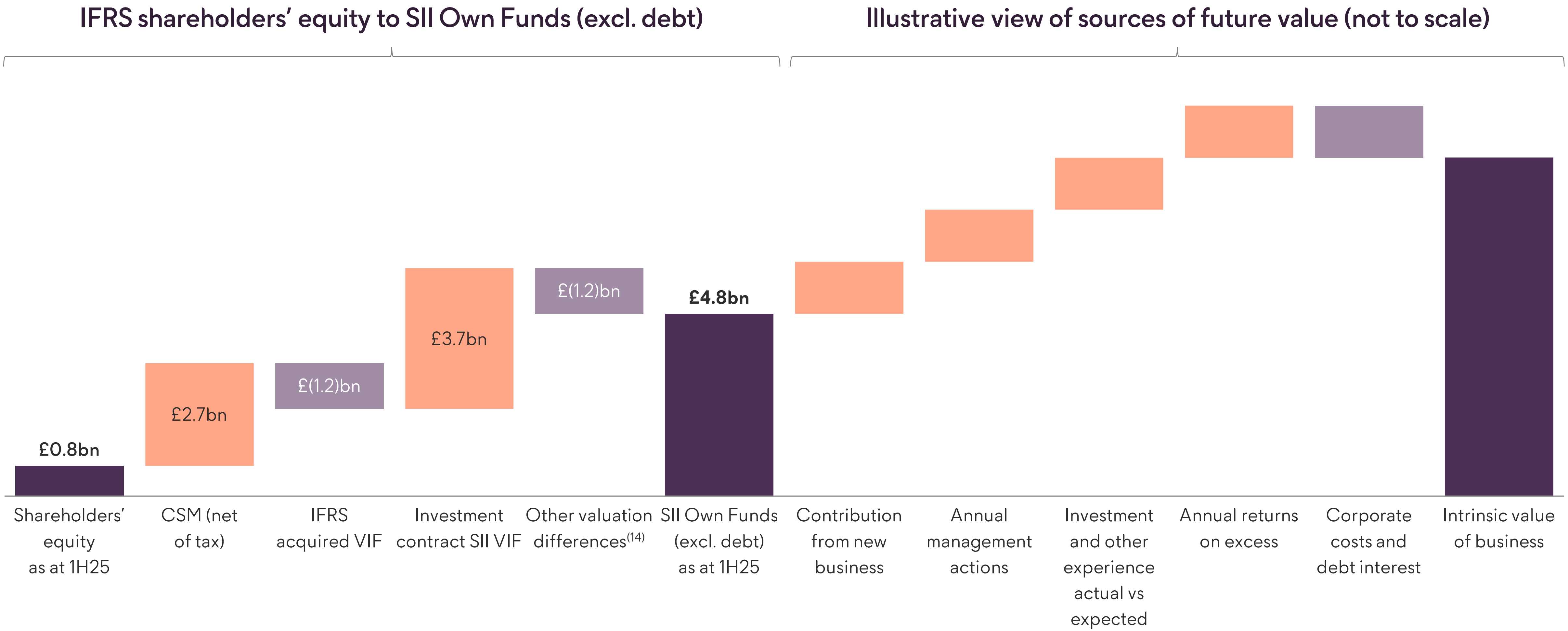


Pensions and Savings – Retail



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

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



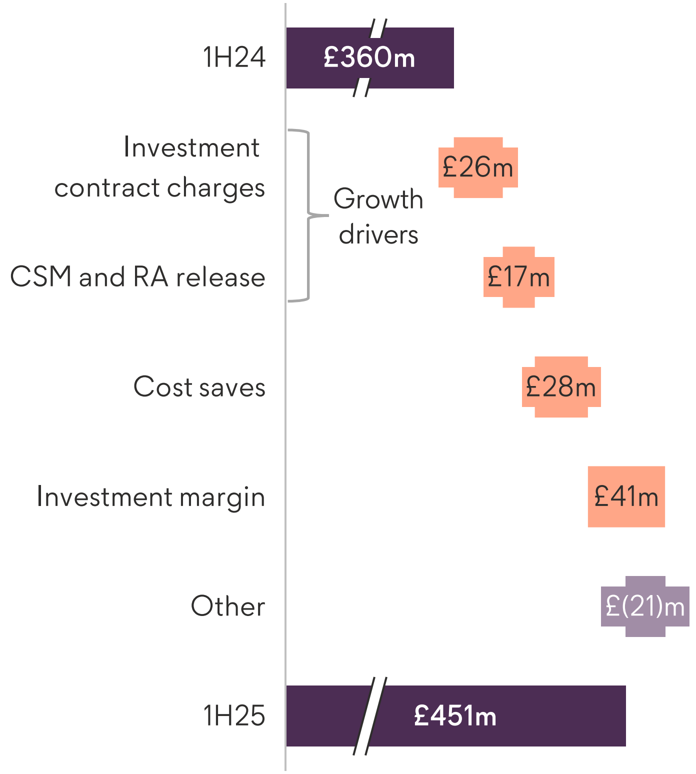
See Appendix 23 for footnotes

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

Drivers of overall improvement in 1H25 IFRS adjusted operating profit



† 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

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.

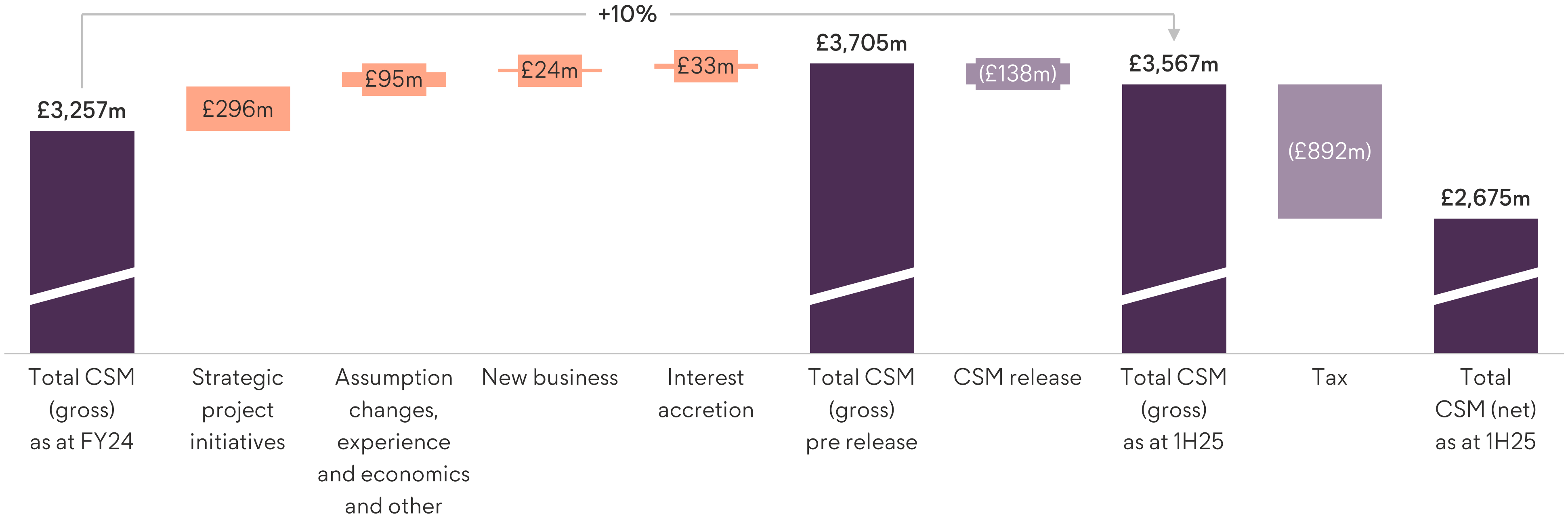
Appendix 17: Retirement Solutions IFRS adjusted operating profit analysis

	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



Split by segment:

	Total CSM (gross) as at FY24	Strategic project initiatives	Assumption changes, experience and economics and other	New business	Interest accretion	Total CSM (gross) pre release	CSM release	Total CSM (gross) as at 1H25	Tax	Total CSM (net) as at 1H25
Retirement Solutions	£2,306m	£271m	£94m	£7m	£28m	£2,706m	£(91)m	£2,615m	£(654)m	£1,961m
Pensions and Savings	£263m	£10m	£23m	-	-	£296m	£(16)m	£280m	£(70)m	£210m
Europe and Other	£196m	£5m	£(2)m	£17m	£2m	£218m	£(18)m	£200m	£(50)m	£150m
With-Profits	£492m	£10m	£(20)m	-	£3m	£485m	£(13)m	£472m	£(118)m	£354m
Total Group	**£3,257m**	**£296m**	**£95m**	**£24m**	**£33m**	**£3,705m**	**£(138)m**	**£3,567m**	**£(892)m**	**£2,675m**

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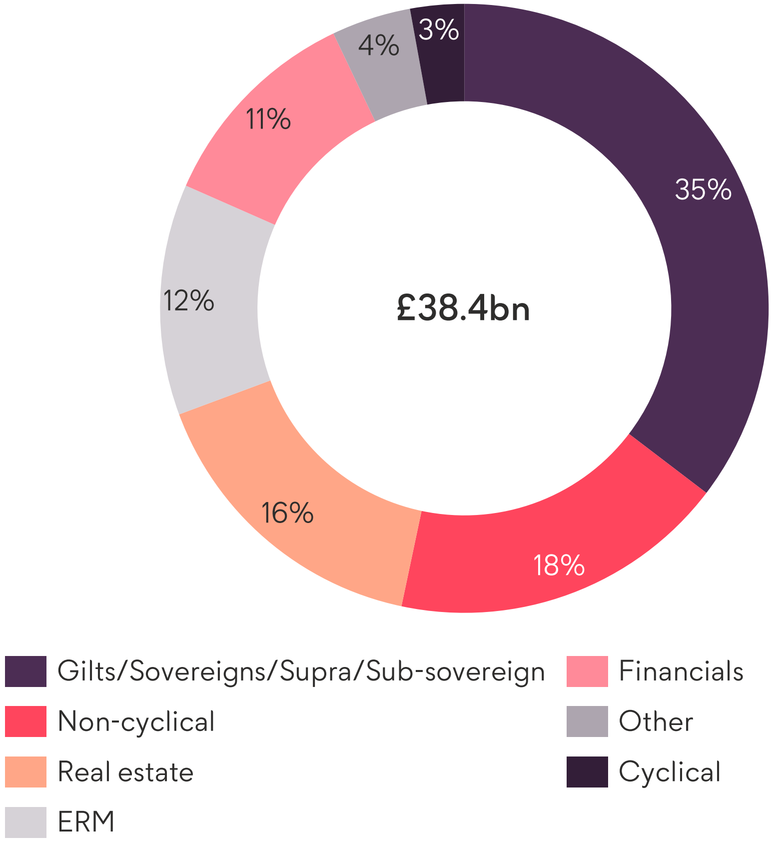
Appendix 19: Shareholder credit portfolio

Prudently positioned shareholder credit portfolio



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†

† <1% of the portfolio is BB and below

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

Equity Release Mortgages
£4.7 billion with AA rating

- Broad regional spread with average LTV of 32%
- Secured on property assets with average time to redemption 11 years

Private Corporate Credit
£3.5 billion with A- rating

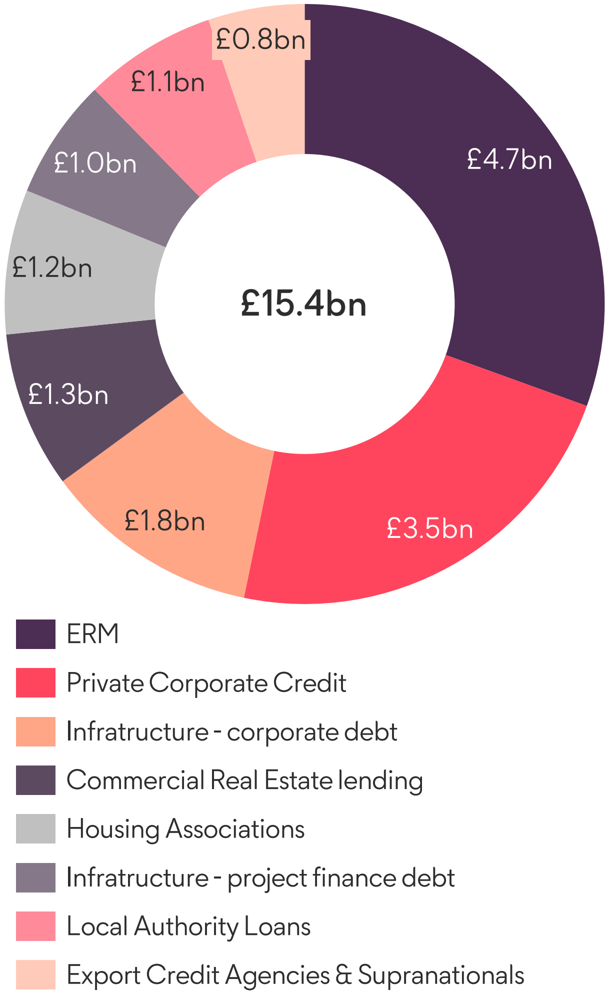
- Diversified portfolio with c.39% of exposure secured on variety of assets
- Loans across 55 different counterparties

Infrastructure – corporate debt
£1.8 billion with BBB+ rating

- Secured on cash flows from long-term contracts with highly rated counterparties
- 8% of portfolio backed by UK Government (directly or indirectly)

Commercial Real Estate lending
£1.3 billion with BBB+ rating

- Structured with robust covenant protection, a combination of loan-to-value and interest coverage ratio
- Average LTV for portfolio is 48%



Housing Associations
£1.2 billion with A rating

- 100% of portfolio is secured on assets
- Average loan size of c.£21 million across 28 different counterparties

Infrastructure – project finance debt
£1.0 billion with BBB+ rating

- Secured on cash flows from long-term contracts with highly rated counterparties
- 58% of portfolio backed by UK Government (directly or indirectly)

Local Authority Loans
£1.1 billion with A+ rating

- Unsecured but with implicit Government support
- Loans across 36 different counterparties with average loan size of c.£24m

Export Credit Agencies & Supranationals
£0.8 billion with AA rating

- 61% of portfolio is Government-backed
- Loans across 11 different counterparties

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.

Collaborations and Commitments

Climate Action 100+

Living Wage Foundation

IIGCC The Institutional Investors Group on Climate Change

PRI Principles for Responsible Investment

PCAF Partnership for Carbon Accounting Financials

Catapult Energy Systems

The Net-Zero Asset Owner Alliance

UKSIF UK Sustainable Investment and Finance Association

TCFD Task Force on Climate-Related Financial Disclosures

carersUK

UK Stewardship Code

United Nations Global Compact

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 RT1) / 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

Disclaimer

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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