



The Phoenix Group's Modern Slavery Act Transparency Statement

Published June 2020







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The Phoenix Group remains committed to addressing modern slavery, servitude, forced labour; and human trafficking in all its forms and carrying out our business in a fair, honest, ethical and open manner.

The Group's Sourcing and Procurement Policy requires that all colleagues understand all potential modern slavery and human trafficking risks related to our business and act to address these risks.

In addition, the Group operates a number of employee policies to address the risk of modern slavery and human trafficking within our business.

As required by the Modern Slavery Act 2015 (the "Act"), this statement describes the steps that the Phoenix Group has taken during the financial year ended 31 December 2019 to prevent modern slavery from taking place in our supply chains and within our own business.

| | | |
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ABOUT PHOENIX

OUR VISION
Become Europe's Leading Life Consolidator.

OUR PURPOSE
Inspire confidence in the future.

OUR MISSION
Improve outcomes for customers and deliver value for shareholders.



WHAT WE DO

As the largest life and pensions consolidator in Europe, Phoenix specialises in the acquisition and management of closed life insurance and pension funds. This is our Heritage business. Transactions in the bulk purchase annuity market offer a complementary source of growth for the Group and the management actions we deliver help increase and accelerate cash flows.

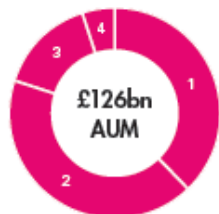
Alongside this, we have an Open business which manufactures and underwrites new products and policies to support people saving for their future in areas such as workplace pensions and self invested personal pensions.

This Open business is supported by the Strategic Partnership with Standard Life Aberdeen plc. We also have a market leading brand – SunLife – which sells a range of financial products specifically for the over 50's market.

OUR THREE BUSINESS SEGMENTS

UK Heritage

Phoenix specialises in the safe and efficient management of UK Heritage business and has a strong track record of delivery. Our UK Heritage business comprises products that are no longer actively marketed to customers.



| | |
|----------------------------|-----|
| 1. With-profits | 35% |
| 2. Unit linked | 45% |
| 3. Non-profit (annuities) | 16% |
| 4. Non-profit (protection) | 3% |

UK Open

Our UK Open business comprises capital-light products that are actively marketed to customers. Phoenix is committed to growing its UK Open business.



| | |
|--------------------|-----|
| 1. Workplace | 43% |
| 2. Retail pensions | 29% |
| 3. Wrap | 28% |

Europe

Our European business provides a platform for potential future consolidation. It contains both open and heritage products split across Germany and Ireland.



| | |
|-----------------------|-----|
| 1. Germany | 49% |
| 2. Ireland | 24% |
| 3. International Bond | 27% |

STRATEGIC OBJECTIVES

01

IMPROVE CUSTOMER OUTCOMES

Improving customer outcomes is central to our vision of being Europe's Leading Life Consolidator.

02

DRIVE VALUE

In order to drive value, the Group looks to identify and undertake management actions, which increase and accelerate cash flow.

03

MANAGE CAPITAL

We continue to focus on the effective management of our risks and the efficient allocation of capital against those risks.

04

ENGAGE PEOPLE

Our people are at the heart of our business and key to the successful growth of Phoenix Group.

OUR VALUES

Passion

Making a positive impact by caring about customers, colleagues and communities.

Responsibility

Doing the right thing by taking personal ownership.

Growth

Succeeding through learning, experimenting and adapting.

Courage

Innovating by challenging ourselves and others to do better.

Difference

Collaborating and finding strength through respecting and embracing new perspectives.

OUR BRANDS



STAKEHOLDERS





Scope of our Review

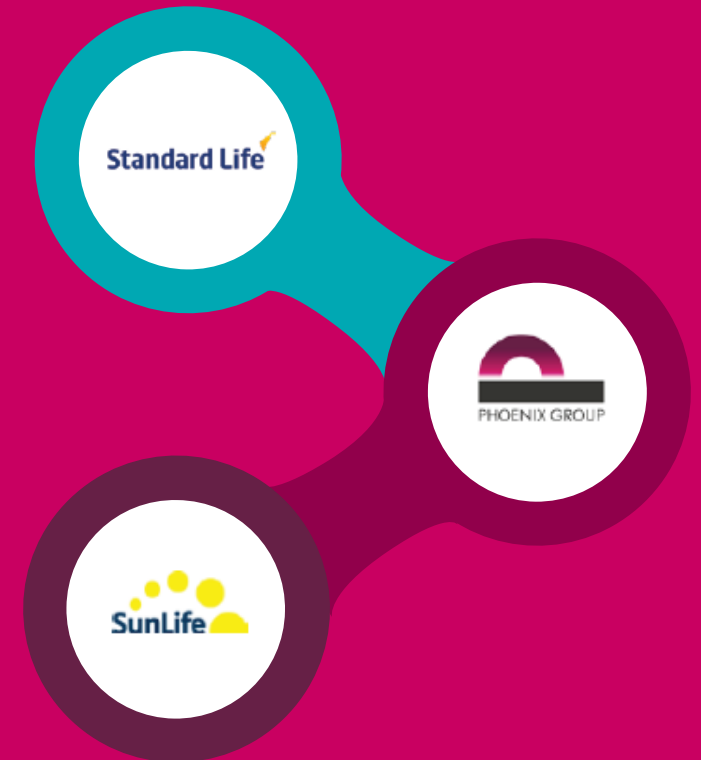
Following the acquisition of Standard Life, the enlarged Phoenix Group has harmonised its human resources and procurement processes. As a result, our holistic approach encompasses and covers all wholly owned business as well as the Group's supply chain.

The Group operates a high degree of strategic partnerships and has a highly outsourced operating model as a result, that said, the risk of modern slavery in our supply chain is considered low due to the nature of our business. We are not however complacent to the risks in our supply chain as a result of this assessment. The Group's policies are targeted toward the prevention of modern slavery in our supply chain as well as our own business. Significant focus is placed on the appropriate management and oversight of our suppliers and outsourced partners; with a focus on those regarded as strategic or critical to the successful operation of our business.

We appreciate that there may be risks we cannot simply ignore within those suppliers we consider to be less critical to the business. As a result, we will be exploring how we can actively assess and mitigate risks in these smaller suppliers during 2020 and 2021.

A list of entities included in this statement can be found within Appendix 1.

Our holistic approach now encompasses the enlarged group and covers all wholly owned business as well as the group supply chain





OUR POLICIES & CONTROLS

Our employees are subject to, and benefit from, a wide range of policies including, disciplinary, grievance, non-discrimination, remuneration and compliance policies. The policies and frameworks that we have in place limit the risk of modern slavery and human trafficking in the workplace and encourage all staff to work and act ethically.

Our policies also reflect our commitments to pay employees fairly and properly for their work, act with integrity and ethically in all of our relationships and to corroborate the same level of commitment within our supply base.

Our employees and suppliers are encouraged to speak out should they encounter any wrongdoing, including any concerns in respect of modern slavery. They are further supported by the Group's Whistleblowing policy which provides a number of channels for concerns to be reported confidentially with appropriate action taken.

The risk of Modern Slavery is addressed and controlled specifically by our supplier management model, our code of business ethics and our corporate responsibility policy.

Supplier Management Model

The Phoenix Group is committed to ensuring we operate responsibly, and to encouraging good practices amongst the external businesses we engage with.

We have responsibilities to many different stakeholders – our customers, clients, and our colleagues and those who we impact through our investments, supply chains and business partners. We take all of these responsibilities very seriously.

We set out strict standards of corporate behaviour for all of our people to follow. This includes complying with all applicable laws and regulations, protecting human rights, providing a safe place of work and minimising our direct and indirect environmental impact.

We also expect our suppliers to adhere to high standards in the way that they operate. Our supplier management model sets out the standards and principles we require them to follow, and that we expect them to demand from their own supply chains.

We aim to build effective and supportive relationships with our suppliers. We believe in paying a fair price promptly for the products and services we consume, and quality is always a priority. By working with suppliers that share our values we can establish relationships that are mutually beneficial.

Code of Business Ethics

One of the most valuable assets a company can have is its reputation for integrity. Without it, customers, investors, suppliers, employees and regulators will prefer other, more attractive companies. We will maintain a high standard of integrity across our business. We will keep our word. We will not promise more than we can reasonably expect to deliver and we will not make commitments that we do not intend to keep.

In all our communications, we will not only stick to the truth, but also avoid exaggeration and overstatement.

Employees shall not undertake activities that produce, or give the impression of producing, conflict between the personal interests of an employee and the interests of the Company or its customers.

The ethical performance of the Company is created by the ethical performance of those who work here and so we are all expected to adhere to high standards of personal integrity. The end does not justify the means.

This Code is complemented by the Group Corporate Responsibility, Conflicts of Interest, Anti-bribery, Whistleblowing and Social Media policies.

Corporate Responsibility Policy

This risk policy has been established to set the minimum operating standards relating to the management of Corporate Responsibility risk throughout the Phoenix Group. It is one of a set of risk policies which aim to provide a clear risk and governance framework and an effective system of internal control, through Minimum Control Standards, for the management of risk across the Group. The policy addresses:


- Corporate responsibility governance
- Workplace issues
- Identification of external stakeholder issues
- Identification and management of environmental risks
- Integration and interaction with the local community



Key Performance Indicators



Newly implemented during this reporting period, The Phoenix Group now track key performance indicators relating to modern slavery and will continue to develop and implement further KPI's over time.



Staff Trained to Identify and Address Modern Slavery Concerns

All key stakeholders have undergone appropriate training to identify and address any modern slavery concerns. This will be rolled out to all members of staff by the end of 2020



Cases of Modern Slavery Discovered Internally or in Our Supply Chain

To date, no instances of modern slavery have been identified.



On Site Risk Assessments Conducted for material Partners

To be reported from 2021



Tackling Modern Slavery through due diligence and ongoing risk assessments

The Group operates a highly outsourced operating model and the risk of modern slavery in our supply chain is considered low due to the nature of our business. However, this assessment does not give rise to complacency. The Phoenix Group employs three routes to assess the risk of Modern Slavery within our supply chain:

Route One

Our Due Diligence guidelines require that any potential suppliers with an annual turnover in excess of £36M have a published modern slavery statement and policy .

Route Two

Even though those suppliers with an annual turnover below £36M are not obliged to publish their own transparency statement, we require that they provide a copy of their modern slavery policy for review prior to appointment.

Route Three

These business relationships are then appropriately monitored, proportionally to their potential risk.

Additional reviews are conducted whenever material changes which may increase the risk profile are implemented .

Treatment

If any indications that Modern Slavery is taking place within our supply chain are identified , we will take appropriate steps to eliminate the risk.



Securing our business against the threat of modern slavery in the future

To ensure our business continues to prevent modern slavery in the future we will take a number of key steps to improve our processes and risk assessments:



Process Followed to Issue This Statement

The Group Chief Executive and Group Chief Operating Officers have approved this statement on behalf of the entities listed within appendix 1



Andy Briggs
Group Chief Executive Officer
30th June 2020



Tony Kassimiotis
Group Chief Operating Officer
30th June 2020

Appendix 1

| Name | Country | CRN |
|---|---------|-----------|
| 28 Ribera del Loira SL | ES | A82228073 |
| 3 St Andrew Square Apartments Limited | GB | SC108543 |
| 330 Avenida de Aragon SL | ES | B82829391 |
| Abbey Life Assurance Limited | GB | 710383 |
| Abbey Life Trust Securities Limited | GB | 843568 |
| Abbey Life Trustee Services Limited | GB | 1451364 |
| Alba LAS Pensions Management Limited | GB | SC060928 |
| Alba Life Trustees Limited | GB | SC31475 |
| Axial Fundamental Strategies (US Investments) LLC | US | 4386668 |
| Britannic Finance Limited | GB | 3588089 |
| Britannic Money Investment Services Limited | GB | 2171236 |
| CH Management Limited | US | 4762852 |
| G Park Management Company Limited | GB | 06878047 |
| Gallions Reach Shopping Park (Nominee) Limited | GB | 05777118 |
| Hundred Sarl | LU | B 165972 |
| Iceni Nominees (No. 2) Limited | GB | 04266393 |
| IH (Jersey) Limited | JE | 109362 |
| Impala Holdings Limited | GB | 6306909 |
| Impala Loan Company 1 Limited | GB | SC212709 |
| Inesia SA | LU | B66 931 |
| Inhoco 3107 Limited | GB | 5188136 |
| Lake Meadows Management Company Limited | GB | 02467063 |
| Lothian Developments III (Nederland) B.V. | NL | 33305403 |
| Mutual Securitisation plc | IE | 276735 |
| National Provident Institution | GB | ZC000065 |
| National Provident Life Limited | GB | 3641947 |
| NP Life Holdings Limited | GB | 3725026 |
| Opal Reassurance Limited | BM | 39187 |
| Pearl (WP) Investments LLC | US | 4299734 |
| Pearl Assurance Group Holdings Limited | GB | 3245996 |
| Pearl Group Holdings (No. 1) Limited | GB | 3524909 |
| Pearl Group Holdings (No. 2) Limited | GB | 5282342 |
| Pearl Group Management Services Limited | GB | 3588063 |
| Pearl Group Secretariat Services Limited | GB | 3588041 |
| Pearl Group Services Limited | GB | 5549998 |
| Pearl Life Holdings Limited | GB | 4560778 |
| PGH (LC1) Limited | GB | 6308404 |
| PGH (LC2) Limited | GB | 6308409 |
| PGH (LCA) Limited | GB | 5257400 |
| PGH (LCB) Limited | GB | 5282338 |
| PGH (MC1) Limited | GB | 6386849 |
| PGH (MC2) Limited | GB | 6386851 |
| PGH (TC1) Limited | GB | 6386847 |
| PGH (TC2) Limited | GB | 6386846 |
| PGH Capital Public Limited Company | IE | 537912 |

| Name | Country | CRN |
|--|---------|----------------|
| PGMS (Glasgow) Limited | GB | SC159852 |
| PGMS (Ireland) Holdings Unlimited Company | IE | 341950 |
| PGMS (Ireland) Limited | IE | 342705 |
| PGS 2 Limited | GB | 3725038 |
| Phoenix AW Limited | GB | 1225468 |
| Phoenix Customer Care Limited | GB | 3315193 |
| Phoenix ER1 Limited | GB | 10196658 |
| Phoenix ER3 Limited | GB | 10844152 |
| Phoenix ER4 Limited | GB | 11121610 |
| Phoenix ER5 Limited | GB | 11720413 |
| Phoenix Group Holdings | KY | 202172 |
| Phoenix Group Holdings plc | GB | 11606773 |
| Phoenix Life Holdings Limited | GB | 6977344 |
| Phoenix Pension Scheme (Trustees) Limited | GB | 1912908 |
| Phoenix SCP Limited | GB | 4013361 |
| Phoenix SCP Pensions Trustees Limited | GB | 2404622 |
| Phoenix SCP Trustees Limited | GB | SC108046 |
| Phoenix SL Direct Limited | GB | 586343 |
| Phoenix Wealth Holdings Limited | GB | 3223752 |
| Phoenix Wealth Trustee Services Limited | GB | 2155360 |
| Scottish Mutual Assurance Limited | GB | SC133846 |
| Scottish Mutual Pension Funds Investment Limited | GB | SC61343 |
| SL (NEWCO) Limited | GB | SC297006 |
| SLA Belgium No.1 SA | BE | BE0638.954.836 |
| SLA Germany No. 2 S.a r.l. | LU | B198324 |
| SLA Germany No. 3 S.a.r.l | LU | B199656 |
| SLA Germany No.1 S.a r.l. | LU | B186141 |
| SLA Ireland No.1 Sarl | LU | B191411 |
| SLA Netherlands No.1 B.V. | NL | 60700793 |
| SLACOM (No.10) Limited | GB | SC271362 |
| SLACOM (No.8) Limited | GB | SC271358 |
| SLACOM (No.9) Limited | GB | SC271360 |
| SLIF Property Investment GP Limited | GB | SC388872 |
| Standard Life Agency Services Limited | GB | SC170047 |
| Standard Life Assets and Employee Services Limited | GB | SC593510 |
| Standard Life Assurance (HWPF) Luxembourg S.a r.l. | LU | B186108 |
| Standard Life Assurance Limited | | SC286833 |
| | GB | |
| Standard Life International dac | | 408507 |
| Standard Life Investment Funds Limited | GB | SC068442 |
| Standard Life Lifetime Mortgages Limited | GB | SC193441 |
| Standard Life Master Trust Co. Limited | GB | 09497864 |
| Standard Life Pension Funds Limited | GB | SC046447 |
| Standard Life Private Equity Trust plc | GB | SC216638 |
| Standard Life Property Company Limited | GB | SC101362 |
| Standard Life Trustee Company Limited | GB | SC076046 |

| Name | Country | CRN |
|---|---------|------------|
| SunLife Limited | GB | 5460862 |
| The Heritable Securities and Mortgage Investment Association Limited | GB | SC000668 |
| The Pearl Martineau Galleries Limited Partnership | GB | LP006989 |
| The Pearl Martineau Limited Partnership | GB | LP006988 |
| The Standard Life Assurance Company of Europe BV | NL | 33.272.024 |
| UK Commercial Property Estates Holdings Limited | GG | 52248 |
| UK Commercial Property Estates Limited | GG | 53361 |
| UK Commercial Property Finance Holdings Limited | GG | 60016 |
| UK Commercial Property GP Limited | GG | 45385 |
| UK Commercial Property Holdings Limited | GG | 45386 |
| UK Commercial Property Nominee Limited | GG | 45400 |
| UK Commercial Property REIT Limited (formerly known as UK Commercial Property Trust Limited | GG | 45387 |
| UK CPT LP | GG | 709 |
| Vebnet (Holdings) Limited | GB | 00792165 |
| Vebnet Limited | GB | SC207389 |
| Welbrent Property Investment Company Limited | GB | 04617102 |
| Castle Hill Credit Opportunities Holdings Limited | GG | 48883 |
| The Moor House Limited Partnership | GB | LP004819 |
| Moor House General Partner Limited | GB | 4130878 |