

# Political engagement & lobbying policy

Phoenix Group believes that it is important to engage with the public policy and regulatory environment in which we operate to achieve our purpose: to help people to secure a life of possibilities. In conducting this engagement, we are committed to behaving in an ethical, open and transparent manner. This is in line with Phoenix Group's culture and reflects our values to act responsibly, take accountability and empower people to do the right thing.

We have agreed a set of principles that set out how we engage with public policy audiences and issues:

- Values drives – Phoenix Group campaigns on issues that align with our social purpose.
- Critical friend – We speak truth to power while remaining constructive and collegiate.
- Customer focused – We focus on the impact on people's lives and stand up for ordinary savers.
- Solutions provider – We deliver policy proposals that are backed up by analysis and research that have meaningful impact.
- Committed – We focus on the right long-term outcomes.
- Lead by example – We are willing to act and make change happen.

The commitments and policies outlined in this statement apply to all employees of Phoenix Group, our different brands across the UK, and our relevant subsidiaries.

## **Policies, processes and procedures**

At Phoenix Group, our [Code of Conduct](#) reflects our values and ambitions. It defines our ethical behaviour and how we conduct business to help fulfil our purpose of helping people secure a life of possibilities.

Phoenix Group has a zero tolerance [policy](#) to bribery and corruption in all its forms, including gifts and hospitality. When engaging with political stakeholders, we ensure that we are not, and cannot be perceived to be, seeking to bribe another person or business with the intention of gaining any business advantage. We have put in place suitable policies, procedures and an anti-bribery programme to prevent the occurrence of bribery. These policies and procedures cover not only Phoenix Group employees, but all third parties who provide services for Phoenix Group and our subsidiaries.

Hospitality only takes place when there is a clear business rationale for it. Incidental or trivial hospitality with a value of under £50 does not need to be recorded, however all other instances of hospitality

either given or received is recorded on the gifts and hospitality register. The Financial Crime Prevention policy requires that the business has suitable processes to log, monitor and manage instances of hospitality. The Group Financial Crime Team are advised on the register and support the team to conduct monthly assurances.

### **Key public policy issues**

The three strategic areas of public policy that are of most importance to Phoenix Group are:

1. **Maximise our Investments:** We believe that to deliver the best investment returns for customers and have the biggest impact on society we must increase our ability to invest in sustainable, transition and productive assets. To do so we need the right regulatory framework and an enhanced pipeline of projects and companies to invest in. We believe this could transform the market to provide greater support for economic growth, levelling up and the transition to net zero.
2. **Improve Finances in Retirement:** As people are living for longer, our vision is to help even more people on their journey to and through retirement, providing the right support at the right time. At Phoenix Group, we look at how to increase savings levels sustainably; increase the impact of customers' existing assets; and optimise decumulation.
3. **Drive Good Work for Longer:** Phoenix Group place inclusive employment at the core of our business. As part of this, we explore how to enable longer and more rewarding working lives. This includes exploring how we can enable re/entry to work for those who want it; how to keep older workers in work; and how to help everyone progress through work.

### **Sustainability**

We are investing in a sustainable future by transitioning our investment portfolio to net zero by 2050, aligning with the UK Government's net zero goal and goals of the Paris Agreement. Our long-term goal is for our financed emissions to be net zero by 2050. We have also set interim goals to reduce our financed emissions intensity by 25% by 2025 and by at least 50% by 2030. These targets help drive efforts across the business, and to transpose our long-term net zero ambition into meaningful interim steps which serve as critical milestones on the journey.

We are collaborating with government, industry and regulators to drive system-wide change to unlock sustainable investment at scale. This is critical for our own Net Zero Transition Plan and to support the wider decarbonisation of the economy. Further information on our position and approach can be found in our [Net Zero Transition plan](#) and [Sustainability Report](#).

## **Political contributions**

Phoenix Group is politically neutral and does not support or contribute to any political organisations or candidates. As part of the necessary relationship between Phoenix Group and political stakeholders, expenditure related to political parties can occur, however these payments do not indicate support for any political party and are not what are commonly regarded as donations. Although Phoenix Group does not consider these donations to a political party, as a matter of good governance and transparency, we provide information on areas of expenditure related to political parties and engagement in our [Annual Report and Accounts](#). This includes sponsorship of events at political conferences. Phoenix Group endeavours to ensure a balance in expenditure across parties so the activities are non-partisan.

Phoenix Group may support an All Party Parliamentary (or Cross Party) Group through the provision of insight or expertise. We do not, however, provide any financial funding to any All Party Parliamentary Group.

## **Working with third parties**

An essential part of delivering a public affairs strategy is working in partnership with others. Phoenix Group uses a number of external consultants, who provide monitoring, policy and strategic advice.<sup>i</sup> These consultants do not represent Phoenix Group at meetings with political stakeholders, although they may contact policymakers on behalf of Phoenix Group on administrative issues, if directed by the public affairs team.

Phoenix Group is also a member of a number of trade associations, membership bodies and industry groups.<sup>ii</sup> Through these memberships, Phoenix Group participates in, and contributes to, relevant discussions, research and policy consultation responses around policy areas of interest to the group. We do not feed into all the policy responses developed by industry groups/ trade association of which we are members. Our membership does not indicate that we agreed or contributed to every collective position promoted by these groups. Our contributions to these trade associations are detailed in the [Annual Report and Accounts](#).

The trade associations that we are members of should be aligned with our values and policies, including in regard to sustainability and social goals. We have regular engagement with the trade associations to ensure we align on messaging and see value in our ongoing relationship. In the absence of an alignment, we would first seek to understand their position and to challenge and influence this if necessary. We would then decide if we needed to end the formal relationship.

**Accountability and oversight**

The public affairs team is responsible for co-ordinating and undertaking political activity. This includes monitoring, analysing and developing policy positions, drafting consultation responses and engaging with political stakeholders.

The Director of Public Affairs has overall responsibility of Phoenix Group's engagement with political stakeholders. There is governance and oversight of the approach to public policy engagement up to executive level. The Board also have oversight and provide strategic guidance when appropriate.

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<sup>i</sup> External consultants that have a regular contract with Phoenix Group public affairs team: Teneo, DeHavilland, Message Matters

<sup>ii</sup> Our key memberships include: Association of British Insurers (ABI), Business in the Community (BITC), Edinburgh Chamber of Commerce, Geneva Association, International Longevity Centre UK (ILC-UK), Industry and Parliament Trust, Investment Association, Pensions and Lifetime Savings Association (PLSA), Pensions Policy Institute (PPI), Scottish Financial Enterprise (SFE), TheCityUK, and The Investing and Saving Alliance (TISA).