Solvency and Financial Condition Report 2024

Phoenix Group Holdings plc

For the year ended 31 December 2024

Contents

Summary

Introduction and background

The Solvency and Financial Condition Report ('SFCR') is a regulatory report required by the Reporting and Group parts of the Prudential Regulation Authority ('PRA') Rulebook. This report, including the accompanying Quantitative Reporting Templates ('QRT's) included in Appendices 1-7, sets out aspects of the Group's business and performance, system of governance, risk profile, valuation methods used for solvency purposes and capital management.

In the UK, Solvency II as modified by the PRA's 2024 reforms ('Solvency UK') became effective from 31 December 2024. Solvency UK has been referred to in this document, except where referring to financial metrics, where we refer to Solvency II in line with the current PRA guidance and consistent with the prudential regime in the PRA policy manual. The SFCR has been prepared in accordance with relevant requirements of the PRA Rulebook as it applies to Phoenix Group plc and its subsidiaries at 31 December 2024.

Phoenix Group plc (the 'Group') as well as its insurance subsidiaries Phoenix Life Limited ('PLL'), ReAssure Limited ('RAL'), ReAssure Life Limited ('RLL'), Phoenix Life CA Limited ('PLCL') (formerly Sun Life Assurance Company of Canada (U.K.) Limited), Standard Life Assurance Limited ('SLAL') and PA(GI) Limited ('PA(GI)') have been granted permission under a waiver from the PRA to prepare a single Group-wide SFCR that contains the required information for the Group along with its UK regulated insurance subsidiaries. In this report, the Group's life insurance subsidiaries PLL, RAL, RLL, PLCL and SLAL are also referred to as the 'Life Companies'.

Separate SFCRs have been published for Standard Life International Designated Activity Company ('SLIDAC') and Phoenix Life Assurance Europe Designated Activity Company ('PLAE'), the Group's two Irish regulated subsidiaries. Effective 1 January 2025, the business of PLAE transferred into SLIDAC. Phoenix Re Limited ('PRL') is a subsidiary of the Group and an authorised life insurer incorporated in Bermuda.

Business and performance

Phoenix Group plc is the UK's largest long-term savings and retirement business[1]. With approximately £292 billion of assets under administration we offer our circa 12 million customers a range of products through our trusted pensions, savings and life insurance brands. Our mission is to help everyone achieve the retirement they want and stay with them for the whole journey. Our purpose is to help people secure a life of possibilities, from our customers, colleagues, investors to wider society.

This means helping people engage with their financial futures, understanding that the journey to and through retirement is as unique as the person making it. It means providing specialist products and services through our customer brands. And using our unique presence and voice to speak up on behalf of our customers.

It's also about taking steps now so we can all enjoy a healthy, secure planet. We're on our journey to become a net zero organisation by 2050, looking to maximise the opportunities of sustainable investments while maintaining strong financial returns.

For management purposes, the Group is organised into value centres with five operating segments comprising Retirement Solutions, Pensions & Savings, With-Profits, SunLife & Protection, and Europe & Other. For reporting purposes, operating segments are aggregated where they share similar economic characteristics including the nature of products and services, types of customers and the nature of the regulatory environment. The SunLife & Protection operating segment has been aggregated with the Europe operating segment into the Europe & Other reportable segment. Our operating model enables the Group to support new and existing customers on their journey to and through retirement.

The Retirement Solutions segment contains the Group's capital-utilising business and includes Bulk Purchase Annuity ('BPA') and individual annuity offerings written within shareholder funds, with the exception of individual annuity contracts written as a result of Guaranteed Annuity Options on with-profit contracts which remain in the With-Profits segment. The Retirement Solutions segment also includes UK individual annuity business written within the Standard Life Heritage With-Profit Fund, as profits are primarily attributable to the shareholder through the Recourse Cash Flow mechanism established on demutualisation.

The Pensions & Savings segment contains the Group's capital-light, fee-based business and includes products such as workplace pensions and Self-Invested Personal Pensions ('SIPPs') distributed through the Group's strategic partnership with Aberdeen Group plc. The Pensions & Savings segment also includes UK unitised business written in the Standard Life Heritage With-Profit Fund as profits are primarily attributable to the shareholder through the Recourse Cash Flow mechanism.

The With-profits segment provides a range of legacy With-Profits savings products that are closed to new business that we manage for our customers. It includes all policies written by the Group's with-profit funds, with the exception of Standard Life Heritage With-Profit Fund contracts reflected in other segments as noted above for Retirement Solutions and Pensions & Savings where profits are primarily attributable to the shareholder through the Recourse Cash Flow mechanism.

The Europe & Other segment includes business written in Ireland and Germany and offers a range of pensions and savings products, including international bonds. SunLife offers protection solutions and funeral plans direct to the over 50s market in the UK.

Performance of the Group

In March 2024, the Group outlined a 3-year strategy for 2024-26, which will support the delivery of the vision of being the UK's leading retirement savings and income business; a sustainable and growing business, which delivers growing cash, capital and earnings and which can support a progressive and sustainable dividend. During 2024, the Group made a positive start in executing against this 3-year strategy.

The Group adopted IFRS 17 effective from 1 January 2023 for statutory reporting purposes. The Group has continued to embed its processes and controls associated with this significant change. In doing so, the Group has identified material corrections to previously reported IFRS results, resulting in the restatement of

1 Company analysis August 2024 based on life technical provisions

Summary continued

Business and performance continued

Performance of the Group continued

comparative information. In addition, during 2024 it has made an accounting policy change associated with IFRS 17. Where references are made to the consolidated financial statements in this report, comparative amounts will be presented on a restated basis.

The underwriting performance of the Group is measured using adjusted operating profit, a non-GAAP measure that reflects the underlying performance of the business as it excludes the impact of short-term economic volatility and other one-off items.

Adjusted operating profit increased by 31% during the year to £825 million (2023: £629 million (restated)), driven by profit uplifts in both of the two main operating business units of the Group.

The Pensions & Savings business reported a 66% growth in IFRS adjusted operating profit to £316 million (2023: £190 million). This reflects the benefit of growing our assets, with average Assets under Administration ('AUA') increasing 11% in the year, coupled with delivery of operating efficiencies.

The Group's Retirement Solutions business delivered IFRS adjusted operating profit of £474 million (2023: £378 million). The 25% year-on-year increase is supported by a 16% increase in the Contractual Service Margin ('CSM') release to £150 million (2023: £129 million) as we grow the annuity book.

Profit from the Group's Europe & Other segment reduced to £96 million (2023: £144 million (restated)) primarily due to prior period one-off experience and assumption updates which did not repeat in 2024. With-Profits adjusted operating profit increased to £41 million (2023: £10 million) driven by one-off experience variances in 2024.

A measure of the total performance of the Group is the IFRS result after tax. The Group generated an IFRS loss after tax attributable to owners of £1,078 million (2023: £84 million profit (restated)) in the year. The loss in 2024 was primarily due to adverse economic variances of £1,297 million, reflecting the result of the Group's hedging programme, which aims to protect cash and Solvency II capital from volatility in equity markets and interest rates. This gives rise to accounting volatility, as several of the Solvency II capital components covered by the hedging are not recognised on the IFRS balance sheet.

Section A includes further detail on the performance of the Group described using results as presented in the IFRS financial statements. A range of other performance metrics are reported along with further commentary on results in the Business Review section of the Phoenix Group Holdings plc Annual Report and Accounts for the year ended 31 December 2024 ('ARA').

Significant business and other events during 2024 that have had material impact on the Group include:

- In January 2024 the trustees of the PGL Pension Scheme completed the buy-out of the scheme liabilities with PLL, whereby the existing annuity insurance policies were exchanged for individual policies between PLL and the scheme's members.
- On 13 June 2024 Phoenix Group Holdings plc ('PGH') redeemed £250 million Fixed Rate Reset Callable Tier 2 subordinated notes at their principal amount together with accrued and unpaid interest to the redemption date.
- Enhancement of the Group's operating model which has delivered £63 million of run-rate cost savings.
- In collaboration with Schroders the Group launched Future Growth Capital ('FGC'), the first private market investment manager to be established in the UK to promote the objectives of the Mansion House Compact. FGC aims to deliver improved outcomes for long-term pension savers in the UK by enabling efficient access to private markets investment and their potential for delivering higher long term investment returns.

Performance of the UK regulated insurance subsidiaries

The UK regulated insurance subsidiaries (except for PLCL and PA(GI) which apply IFRS) prepare their individual financial statements on the basis of UK GAAP and do not make use of adjusted operating profit as an alternative performance measure, therefore it is not possible to report on underwriting performance in the same manner as reported for the Group. For the UK regulated insurance subsidiaries that apply UK GAAP, underwriting performance is measured by the GAAP technical result.

The underwriting performance of UK regulated insurance subsidiaries that report under IFRS is measured by adjusted operating profit. Section A includes detail on the performance of the UK regulated insurance subsidiaries, described using these measures. A further indicator of the performance of the business is the analysis of Own Funds and Solvency II surplus, as shown in E.1.

Investment performance for life companies is provided on a basis consistent with that provided for the Group, as there is no significant difference between investment performance under IFRS/UK GAAP or Solvency UK.

Other material income and expenses are provided on a consistent basis under IFRS, UK GAAP and Solvency UK and are included within QRT IR.05.03.02 within the Other Expenses line.

System of governance

The Board of PGH is responsible for the strategic direction of the Group and is accountable for compliance with Solvency UK requirements. The insurance subsidiaries' Boards are responsible for managing the overall direction and performance of the life insurance companies. They are also ultimately accountable for compliance with the Solvency UK requirements that relate to them.

The Boards of both PGH and its insurance subsidiaries are committed to high standards of corporate governance and are supported by the appropriate Board committees and Management committees. Further details of the Group's governance framework are included in section B.

Risk profile

The Group's Risk Management Framework ('RMF') seeks to ensure that all material risks are identified, measured, assessed, managed and reported within approved risk appetites and reported through agreed governance routes in line with delegated authorities. Group Risk regularly seek opportunities to streamline

Risk profile continued

and augment the framework, including technology solutions that might help further simplify its operation across the Group.

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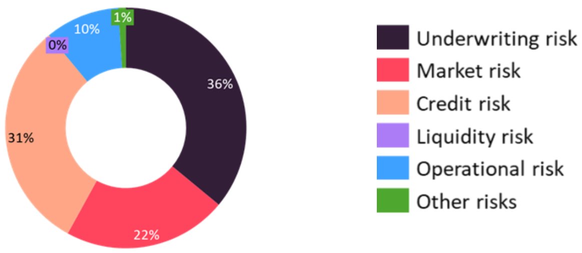
Risk appetite is used to define the amount and type of risk that the Group is willing to take in the pursuit of enhancing customer and shareholder value and the attainment of strategic objectives. Risk appetite statements establish the risk boundaries within which the Group is willing to operate, set the tolerance for delivery against objectives and are a key tool in balancing the interests of different stakeholders. The Group defines risk appetite in the areas of capital, liquidity, dividend, shareholder value, control, conduct and sustainability.

The Group continues to determine its capital requirements on a Partial Internal Model ('PIM') basis, with the contribution from the ReAssure entities, the Phoenix Life CA entities, SLIDAC, PLAE and the Bermudan entities being assessed on a Standard Formula basis. Capital requirements calculated under the Internal Model and Standard Formula are aggregated in determining Group capital requirements, with no further allowance for diversification.

The chart and table below show the composition of the Group's undiversified Solvency Capital Requirement ('SCR') as at 31 December 2024. The largest component of the undiversified SCR is underwriting risk for the Group, which is the risk that the frequency or severity of insured events may be worse than expected and includes expense risk.

Risk Profile



Detailed definitions of the risk categories are provided in section C with further details on the SCR set out in section E.2.1.
A summary of the undiversified SCR of the Group and the insurance subsidiaries is also presented below.

Risk profile of insurance subsidiaries and the Group	Section reference	PLL	PA(GI)	PGH Group Internal Model	RAL	RLL	PLCL	SLIDAC	PGH Group Standard Formula	PGH Group
Underwriting risk	C.1	31%	–	30%	44%	–	57%	43%	52%	36%
Market risk	C.2	22%	–	22%	26%	33%	27%	31%	20%	22%
Credit risk	C.3	35%	–	35%	25%	29%	8%	17%	21%	31%
Liquidity risk	C.4	–	–	–	–	–	–	–	–	–
Operational risk	C.5	12%	100%	12%	5%	38%	8%	9%	7%	10%
Other risks	C.6	–	–	1%	–	–	–	–	–	1%
Total		100%	100%	100%	100%	100%	100%	100%	100%	100%

Valuation for solvency purposes

For the purposes of Solvency UK reporting, the Group applies the Solvency UK valuation rules to its assets, technical provisions and other liabilities. The principle that underlies the valuation methodology for Solvency UK purposes is to recognise assets and liabilities at an amount for which they could be exchanged, transferred or settled by knowledgeable and willing third parties in an arm's length transaction.

Technical provisions are held in respect of liabilities to policyholders and are calculated as the sum of best estimate liabilities ('BEL') plus a risk margin and reduced by transitional measures on technical provisions ('TMTP'), where relevant. The BEL represents our best estimate of future cash flows on the in-force business, taking into account the time value of money. The Group has taken advantage of TMTP, which allows for the recognition of a deduction from technical provisions calculated as the difference between their value under the current and previous solvency regimes. This transitional measure applies for 16 years from 1 January 2016, and the deduction will be fully amortised over that period.

The excess of assets over liabilities measured on a Solvency UK basis for the Group and its insurance subsidiaries is set out in the table below:

31 December 2024	PLL £m	RAL £m	RLL £m	PLCL £m	SLAL £m	PA(GI) £m	Other Group entities[1] £m	Consolidation and other adjustments[2] £m	PGH Group £m
Excess of assets over liabilities	9,098	2,559	165	298	4	11	37,211	(38,970)	10,376

1 Other Group entities include the Eligible Own Funds of the Group's non-UK insurance companies, holding companies and non-insurance subsidiaries and includes the contribution of Group pension schemes.

2 Group consolidation adjustments include the elimination of intercompany balances and participations.

Valuation for solvency purposes continued

Under Solvency UK, the excess of assets over liabilities is higher than the equivalent value on a statutory basis primarily due to differences in the measurement of technical provisions. Section D provides further information on the description of the bases, methods and main assumptions used in the valuation of assets, technical provisions and other liabilities, including explanations of material differences between Solvency UK and the statutory basis. As part of the PRA's 2024 reforms to implement Solvency UK, changes were introduced during the year to the determination of the Matching Adjustment ('MA') and TMTP. Further details are set out in section D.2.11. There have been no other changes in the valuation methods for solvency purposes applied by the Group during the year.

Capital management

The Group and its insurance subsidiaries manage Own Funds to ensure that sufficient capital resources are held in accordance with the Group's risk appetite and regulatory requirements. Further details on the Group's solvency capital requirements are set out in section E.
At 31 December 2024, the capital position for the Group and its insurance subsidiaries is as follows:

31 December 2024	Eligible Own Funds £m	SCR £m	Solvency II surplus £m	Ratio of Eligible Own Funds to SCR %	Shareholder capital coverage ratio %
PLL	7,104	(4,756)	2,348	149%	177%
RAL	1,865	(1,051)	814	177%	192%
RLL	165	(13)	152	1,269%	1,269%
PLCL	297	(166)	131	179%	179%
SLAL[4]	4	(3)	1	120%	120%
PA(GI)	11	(10)	1	108%	103%
SLIDAC	611	(344)	267	177%	177%
PLAE	112	(46)	66	246%	246%
Other Group entities[1]	39,816	(653)	39,163		
Consolidation and other adjustments[2]	(39,620)	192	(39,428)		
PGH Group 31 December 2024[3]	10,365	(6,850)	3,515	151%	172%
PGH Group 31 December 2023	11,069	(7,210)	3,859	154%	176%

1 Other Group entities include the Eligible Own Funds of PRL, the Group's holding companies and non-insurance subsidiaries and includes the contribution of Group pension schemes and subordinated liabilities qualifying as capital for solvency purpose.
2 Group consolidation adjustments include the elimination of intercompany balances and participations.
3 The Group's Solvency II surplus at 31 December 2024 and at 31 December 2023 incorporates a recalculation of TMTP at each respective date.
4 The capital requirement and solvency ratio for SLAL are based on the MCR, as this is greater than the SCR.

The Group and its insurance subsidiaries held Own Funds in excess of both the SCR and MCR throughout the reporting period and therefore fully complied with the capital requirements.

As at 31 December 2024, the Group's Solvency II surplus over the Group SCR was £3,515 million (2023: £3,859 million), with a ratio of Eligible Own Funds to SCR of 151% (2023: 154%). The reduction in the Solvency II surplus primarily reflects operating costs, dividends and interest, investment of surplus capital into growth, including the strain associated with writing new bulk purchase annuity business and adverse economic variances. These negative impacts were partially offset by operating surplus generation for the year, which comprises on-going surplus emergence and recurring management actions.

The movement in the Group's Solvency II surplus is described in further detail in section E.1.3.5.

Quality of Own Funds

Eligible Own Funds represent the available capital to support the SCR. 59% (2023: 61%) of the Group's Eligible Own Funds are classified as unrestricted Tier 1 capital and are principally comprised of ordinary share capital and share premium, surplus funds and the reconciliation reserve. This includes allowance for TMTP, which is included in the calculation of Own Funds as Tier 1 capital. The TMTP allows firms to apply a transitional deduction to their technical provisions. Transitional measures are aimed at providing a smooth transition between the technical provisions under the previous Solvency I regulatory regime and the technical provisions under the Solvency UK regulatory regime.

Further details regarding the Group and each insurance subsidiary's capital position are set out in section E.1.

SCR by risk category

The SCR is the amount of capital an insurer is required to hold under the Solvency UK rules. Further details are set out in section E.2.

Capital management continued

Shareholder capital coverage ratio

In the calculation of the Solvency II surplus, the SCR of unsupported with-profit funds and the Group's pension schemes is included, but the related Eligible Own Funds are recognised only to a maximum of their respective SCR amounts. Surpluses that arise in unsupported with-profit funds and the pension schemes are therefore not recognised in the Solvency II surplus, as there is uncertainty as to the extent (if any) to which such surpluses will accrue to shareholders. However, such surpluses are available to absorb economic shocks, thereby increasing resilience to economic stresses.

The Group focuses on the metric of shareholder capital coverage ratio, as a more appropriate measure of the extent to which shareholders' Eligible Own Funds cover the associated risk capital. It is defined as the ratio of Eligible Own Funds to SCR, after adjustment to exclude Own Funds and SCR amounts relating to unsupported with-profit funds and the Group's Pension Schemes.

As at 31 December 2024, the shareholder capital coverage ratio for the Group is 172% (2023: 176%).

Solvency UK reforms

The Solvency II regime was adopted into the UK legislative and regulatory framework on 1 January 2016.

On 31 December 2024, the PRA implemented its package of reforms to the Solvency II regime, and the resulting modified version of Solvency II is referred to throughout this document as Solvency UK. These reforms included changes to internal model governance, simplification to the TMTP, changes to the MA to provide greater investment flexibility, removing the cap on MA benefit for sub-investment grade assets, applying the Fundamental Spread ('FS') at credit rating notch, and introducing a requirement for senior manager attestation regarding the level of MA and FS.

Directors' responsibility statement

Phoenix Group Holdings plc

Approval by the Board of Directors of the Solvency and Financial Condition Report.

Financial year ended 31 December 2024.

We acknowledge our responsibility for preparing the Solvency and Financial Condition Report in all material respects in accordance with the Solvency II regulatory framework applicable to the Group.

We are satisfied that:

a) throughout the financial year to 31 December 2024, the Group has complied in all material respects with the requirements of the Solvency II regulatory framework as applicable to the Group; and
b) it is reasonable to believe that in respect of the period from 31 December 2024 to the date of the publication of the Group Solvency and Financial Condition Report, the Group has continued so to comply and will continue so to comply in the future.

Andy Briggs

Group Chief Executive Officer

For and on behalf of the Group Board of Directors

Date: 9 April 2025

Nicolaos Nicandrou

Group Chief Financial Officer

Phoenix Life Limited ('PLL'), ReAssure Limited ('RAL'), ReAssure Life Limited ('RLL'), Phoenix Life CA Limited ('PLCL') and Standard Life Assurance Limited ('SLAL')

Approval by the Board of Directors of the Solvency and Financial Condition Report.

Financial year ended 31 December 2024.

We acknowledge our responsibility for preparing the Solvency and Financial Condition Report for PLL, RAL, RLL, PLCL and SLAL in all material respects in accordance with the Solvency II regulatory framework applicable to the Life Companies.

We are satisfied that:

a) throughout the financial year to 31 December 2024, PLL, RAL, RLL, PLCL and SLAL have complied in all material respects with the requirements of the Solvency II regulatory framework as applicable to the Life Companies; and
b) it is reasonable to believe that in respect of the period from 31 December 2024 to the date of the publication of the Group Solvency and Financial Condition Report, PLL, RAL, RLL, PLCL and SLAL have continued so to comply and will continue so to comply in the future.

Andy Briggs

Group Chief Executive Officer

For and on behalf of the Board of Directors of PLL, RAL, RLL, PLCL and SLAL

Date: 9 April 2025

Arlene Cairns

Finance Director

Directors’ responsibility statement continued

PA(GI) Limited (‘PA(GI)’)

Approval by the Board of Directors of the Solvency and Financial Condition Report.

Financial year ended 31 December 2024.

We acknowledge our responsibility for preparing the Solvency and Financial Condition Report for PA(GI) in all material respects in accordance with the Solvency II regulatory framework applicable to PA(GI).

We are satisfied that:

a) throughout the financial year to 31 December 2024, PA(GI) has complied in all material respects with the requirements of the Solvency II regulatory framework as applicable to PA(GI); and

b) it is reasonable to believe that in respect of the period from 31 December 2024 to the date of the publication of the Group Solvency and Financial Condition Report, PA(GI) has continued so to comply and will continue so to comply in the future.

Brid Meaney

PA(GI) Director

For and on behalf of the Board of Directors of PA(GI)

Date: 9 April 2025

David Woollett

PA(GI) Director

Auditor’s report

Report of the external independent auditor to the Directors of Phoenix Group Holdings plc, Phoenix Life Limited, Standard Life Assurance Limited, ReAssure Limited, ReAssure Life Limited, Phoenix Life CA Limited and PA(GI) Limited pursuant to Rule 4.1 (2) of the External Audit Part of the Prudential Regulation Authority (‘PRA’) Rulebook applicable to Solvency II firms

REPORT ON THE AUDIT OF THE INFORMATION SUBJECT TO AUDIT IN THE RELEVANT ELEMENTS OF THE SOLVENCY AND FINANCIAL CONDITION REPORT

Opinion

Except as stated below, we have audited the following documents prepared by Phoenix Group Holdings plc (‘**the Parent Company’**), and its subsidiary entities Phoenix Life Limited (‘**PLL**’), Standard Life Assurance Limited (‘**SLAL’**), ReAssure (‘**RAL**’), ReAssure Life Limited (‘**RLL**’), Phoenix Life CA Limited (‘**PLCL**’) and PA(GI) Limited (‘**PA(GI)**’) (together ‘**the Subsidiary Entities**’) (together the Parent Company and the Subsidiary Entities are ‘**the Entities**’) as at 31 December 2024:

- The ‘Valuation for solvency purposes’ and ‘Capital Management’ sections of the Solvency and Financial Condition Report of the Entities as at 31 December 2024, (‘**the Narrative Disclosures subject to audit**’); and
- Group templates IR.02.01.02, IR.22.01.22, IR.23.01.04, IR.25.04.22 and IR.32.01.22 (‘**the Group Templates subject to audit**’); and
- Company templates in respect of the individual Subsidiary Entities as follows (collectively referred to as ‘**the Company Templates subject to audit**’):
  - PLL: IR.02.01.02, IR.12.01.02, IR.22.01.21, IR.23.01.01 and IR.28.01.01;
  - SLAL: IR.02.01.02, IR.12.01.02, IR.23.01.01 and IR.28.01.01;
  - RAL: IR.02.01.02, IR.12.01.02, IR.22.01.21, IR.23.01.01, IR.25.04.21 and IR.28.01.01;
  - RLL: IR.02.01.02, IR.12.01.02, IR.23.01.01, IR.25.04.21 and IR.28.01.01;
  - PLCL: IR.02.01.02, IR.12.01.02, IR.23.01.01, IR.25.04.21 and IR.28.01.01 and;
  - PA(GI): IR.02.01.02, IR.23.01.01 and IR.28.01.01.

The Narrative Disclosures subject to audit and the Group and Company Templates subject to audit are collectively referred to as the ‘**Relevant Elements of the Solvency and Financial Condition Report**’.

We are not required to audit, nor have we audited, and as a consequence do not express an opinion on:

- **Any increase to the Fundamental Spread** - any increases made by the Entities under Rule 4.17 of the Matching Adjustment part of the PRA Rulebook for Solvency II firms, to the Fundamental Spread used in the calculation of the Matching Adjustment and included in the technical provisions disclosed in the Relevant Elements of the Solvency and Financial Condition Report.
- the **Other Information** which comprises:
  - Information contained within the Relevant Elements of the Solvency and Financial Condition Report set out about above for the Group which derive from the Solvency Capital Requirement calculated using a partial internal model, and for PLL, SLAL, and PA(GI) which derive from the Solvency Capital Requirement calculated using an internal model, as identified in the Appendix to this report;
  - The ‘Business and performance’, ‘System of governance’ and ‘Risk profile’ sections of the Solvency and Financial Condition Report;
  - Group templates IR.05.02.01 and IR.05.03.02 for the Group;
  - Company templates IR.05.02.01, IR.05.03.02 and IR.25.04.21 for PLL and PA(GI);
  - Company templates IR.05.02.01 and IR.05.03.02 for RAL, RLL and PLCL.
  - Information calculated in accordance with the previous regime used in the calculation of the transitional measure on technical provisions, and as a consequence all information relating to the transitional measures on technical provisions as set out in the Appendix to this report;
  - Elements of the Narrative Disclosures subject to audit identified as ‘unaudited’;
  - The written acknowledgement by the Directors of the Entities of their responsibilities, including for the preparation of their relevant content of the Solvency and Financial Condition Report (‘**the Responsibility Statement**’) and;
  - Information which pertains to an undertaking that is not a UK Solvency II undertaking and has been prepared in accordance with PRA Rules other than those applicable to UK Solvency II firms or in accordance with UK law other than law deriving from the Financial Services and Markets Act 2000 that applies to UK Solvency II firms, ‘**the sectoral information**’ as set out in the Appendix to this report.

To the extent the information subject to audit in the Relevant Elements of the Solvency and Financial Condition Report includes amounts that are totals, sub-totals or calculations derived from the Other Information, we have relied without verification on the Other Information.

In our opinion, the information subject to audit in the Relevant Elements of the Solvency and Financial Condition Report of the Entities as at 31 December 2024 is prepared, in all material respects, in accordance with the financial reporting provisions of the PRA Rules on which it is based, as modified by relevant supervisory modifications, and as supplemented by supervisory approvals and determinations in effect as at the date of approval of the Solvency and Financial Condition Report.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ('ISAs (UK)'), including ISA (UK) 800 and ISA (UK) 805, and applicable law. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Information Subject to Audit in the Relevant Elements of the Solvency and Financial Condition Report* section of our report. We are independent of each of the Entities in accordance with the ethical requirements that are relevant to our audit of the Solvency and Financial Condition Report in the UK, including the FRC Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – special purpose basis of accounting

We draw attention to the 'Valuation for solvency purposes', 'Capital Management' and 'Basis of Preparation' sections of the Solvency and Financial Condition Report, which describe the basis of accounting of the information subject to audit in the Relevant Elements of the Solvency and Financial Condition Report. The Solvency and Financial Condition Report is prepared in accordance with the financial reporting provisions of the PRA Rules, and therefore in accordance with a special purpose financial reporting framework. The Solvency and Financial Condition Report is required to be published, and intended users include but are not limited to the Prudential Regulation Authority. As a result, the Solvency and Financial Condition Report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Going concern

The Directors of the Parent Company have prepared the information subject to audit in the Relevant Elements of the Solvency and Financial Condition Report for the Group on the going concern basis as they do not intend to liquidate the Group or the Parent Company or to cease their operations, and as they have concluded that the Group and the Parent Company's financial positions mean that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the Solvency and Financial Condition Report ('the going concern period'). The Directors of the Subsidiary Entities have prepared the information subject to audit in the Relevant Elements of the Solvency and Financial Condition Report for their respective entity on the going concern basis as they do not intend to liquidate their respective entity or to cease its operations, and as they have concluded that their respective entity's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over the ability of their respective entity to continue as a going concern for the going concern period.

We have used our knowledge of the Entities, their industry, and the general economic environment to identify the inherent risks to their business models and analysed how those risks might affect the Entities' financial resources or ability to continue operations over the going concern period. The risks that we considered most likely to adversely affect the Entities' available financial resources over this period were:

- Adverse impacts arising from fluctuations or negative trends in the economic environment including, but not limited to, wider credit spreads and defaults which affect regulatory capital solvency coverage ratios, liquidity ratios, the valuations of the Group's illiquid financial investments that require judgement and valuation of the best estimate liabilities; and
- Severely adverse policyholder lapse or claims experience.

We also considered less predictable but realistic second order impacts, such as political or policy changes that could affect demand in the Group's markets.

We considered whether these risks could plausibly affect the liquidity and solvency in the going concern period by comparing severe, but plausible downside scenarios that could arise from these risks individually and collectively against the level of financial resources indicated by the Group's financial forecasts.

Our procedures also included:

- Critically assessing actuarial assumptions used in management's three-year Annual Operating Plan ('AOP'), which forms the basis for management's going concern projections and determining whether the models are appropriate to enable management to make an assessment on the going concern of the Group.
- Critically assessing assumptions in base case and downside scenarios relevant to liquidity and solvency.
- Assessing whether downside scenarios applied mutually consistent and severe assumptions in aggregate, using our assessment of the possible range of each key assumption and our knowledge of inter-dependencies.
- Comparing past budgets to actual results to assess the Directors' track record of budgeting accurately.
- Evaluating the achievability of the contingent actions the Directors consider they would take to improve the position should the risks materialise.
- Assessing the entity's debt covenants and ability to meet maturities arising during the going concern period.
- We considered whether the going concern disclosure in note A1 to the financial statements gives a full and accurate description of the Directors' assessment of going concern, including the identified risks and dependencies.

Going concern continued

Our conclusions based on this work:

- We consider that the Directors' of the Entities use of the going concern basis of accounting in the preparation of the information subject to audit in the Relevant Elements of the Solvency and Financial Condition Report for their respective entity and the Group is appropriate; and
- We have not identified, and concur with the Directors' of the Entities assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Entities' or the Group's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Entities or the Group will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ('fraud risks') we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of Directors, the Audit Committee, Internal Audit and inspection of policy documentation as to the Group's high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the Group's channel for 'whistleblowing', as well as whether they have knowledge of any actual, suspected or alleged fraud;
- Reading Board, Audit Committee and Risk Committee meeting minutes;
- Considering remuneration incentive schemes and performance targets for management;
- Using analytical procedures to identify any unusual or unexpected relationships. Using our own professionals with forensic knowledge to assist us in identifying fraud risks based on discussion of the circumstances of the Group;
- Inspecting correspondence with regulators to identify instances or suspected instances of fraud;
- Reviewing the audit misstatements from the prior period to identify fraud risk factors;
- Reading broker reports and other public information to identify third-party expectations and concerns.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit. This included communication from the Group auditor to component auditors of relevant fraud risks identified at the Group level and requesting component auditors performing procedures at the component level to report to the Group auditor any identified fraud risk factors or identified or suspected instances of fraud.

We identified fraud risks related to the valuation of technical provisions and illiquid financial investments in response to possible pressures to meet profit targets.

We performed procedures including:

- Identifying journal entries and other adjustments to test at the Group level and for selected components based on risk criteria and comparing the identified entries to supporting documentation. These included but were not limited to those posted by senior finance management, those posted to seldom used accounts and are linked to an estimate, those posted to unusual accounts and journals impacting cash balances that were identified as unusual or unexpected in our risk assessment procedure.
- Evaluating the business purpose of significant unusual transactions.
- Assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the information subject to audit in the Relevant Elements of the Solvency and Financial Condition Report from our general commercial and sector experience, through discussion with the Directors and other management of the Entities (as required by auditing standards), and from inspection of the Entities' regulatory and legal correspondence and have discussed with the Directors and other management of the Entities, the policies and procedures regarding compliance with laws and regulations.

As the Entities are regulated, our assessment of risks involved gaining an understanding of the control environment including the Entities' procedures for complying with regulatory requirements.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. This included communication from the Group auditor to component auditors of relevant laws and regulations identified at the Group level, and a request for component auditors to report to the Group audit team any instances of non-compliance with laws and regulations that could give rise to a material misstatement at the Group level.

The potential effect of these laws and regulations on the information subject to audit in the Relevant Elements of the Solvency and Financial Condition Report varies considerably.

Fraud and breaches of laws and regulations – ability to detect continued

Identifying and responding to risks of material misstatement related to compliance with laws and regulations *continued*

Firstly, the Entities are subject to laws and regulations that directly affect the Relevant Elements of the Solvency and Financial Condition Report including financial reporting legislation (including related companies legislation), distributable profits legislation, taxation legislation and pension legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Entities are subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the Relevant Elements of the Solvency and Financial Condition Report, for instance through the imposition of fines or litigation or the loss of the Entities' license to operate.

We identified the following areas as those most likely to have such effect:

- Specific aspects of regulatory capital and liquidity;
- Consumer duty;
- Financial crime and customer conduct regulations;
- Market abuse regulations;
- Data protection laws;
- Employment legislation;
- Environmental protection legislation;
- Health and safety legislation; and
- Certain aspects of company legislation, recognising the financial and regulated nature of the Group's activities and certain regulated subsidiaries.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

We discussed with the Audit Committee matters related to actual or suspected breaches of laws or regulations, for which disclosure is not necessary, and considered any implications for our audit of the information subject to audit in the Relevant Elements of the Solvency and Financial Condition Report.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the information subject to audit in the Relevant Elements of the Solvency and Financial Condition Report, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the information subject to audit in the Relevant Elements of the Solvency and Financial Condition Report, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Other Information

The Directors of the Entities are responsible for their relevant content of the Other Information. Our opinion on the information subject to audit in the Relevant Elements of the Solvency and Financial Condition Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the information subject to audit in the Relevant Elements of the Solvency and Financial Condition Report, our responsibility is to read the Other Information and, in doing so, consider whether the Other Information is materially inconsistent with the information subject to audit in the Relevant Elements of the Solvency and Financial Condition Report, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the information subject to audit in the Relevant Elements of the Solvency and Financial Condition Report or a material misstatement of the Other Information. If, based on the work we have performed, we conclude that there is a material misstatement of this Other Information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Directors of the Entities for the Solvency and Financial Condition Report

The Directors of the Entities are responsible for the preparation of their relevant content of the Solvency and Financial Condition Report in accordance with the financial reporting provisions of the PRA Rules, which have been modified by the modifications and supplemented by the approvals and determinations made by the PRA under section 138A of the Financial Services Markets Act 2000.

The Directors of the Entities are also responsible for such internal control as they determine is necessary to enable the preparation of their relevant content of the Solvency and Financial Condition Report that is free from material misstatement, whether due to fraud or error.

Responsibilities of Directors of the Entities for the Solvency and Financial Condition Report continued

The Directors of the Subsidiary Entities are responsible for assessing their respective entity’s ability to continue as going concerns, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate their respective entity or to cease operations, or have no realistic alternative but to do so.

The Directors of the Parent Company are responsible for assessing the Group’s and Parent Company’s ability to continue as going concerns, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Group or the Parent Company or to cease their operations, or have no realistic alternative but to do so.

Auditor’s Responsibilities for the Audit of the Information Subject to Audit in the Relevant Elements of the Solvency and Financial Condition Report

It is our responsibility to form an independent opinion as to whether the information subject to audit in the Relevant Elements of the Solvency and Financial Condition Report is prepared, in all material respects, with financial reporting provisions of the PRA Rules on which it is based, as modified by relevant supervisory modifications, and as supplemented by supervisory approvals and determinations.

Our objectives are to obtain reasonable assurance about whether the information subject to audit in the Relevant Elements of the Solvency and Financial Condition Report is free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decision making or the judgement of the users taken on the basis of the information subject to audit in the Relevant Elements of the Solvency and Financial Condition Report.

A fuller description of our responsibilities is located on the Financial Reporting Council’s website at: www.frc.org.uk/auditorsresponsibilities.

Other Matter – Partial Internal Model for the Group and Internal Model for PLL, SLAL and PA(GI)

The Parent Company has authority to calculate the Group Solvency Capital Requirement using a partial internal model (the ‘Partial Internal Model’), and PLL, SLAL, and PA(GI) have authority to calculate their respective entity’s Solo Solvency Capital Requirement, using an internal model (‘the Internal Model’) approved by the Prudential Regulation Authority in accordance with the PRA Rules. The Partial Internal Model and the Internal Model are collectively ‘the Models’. In forming our opinion (and in accordance with PRA Rules), we are not required to audit the inputs to, design of, operating effectiveness of, or outputs from the Models, or whether the Models is being applied in accordance with the Entities' application or approval orders.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Sectoral Information

In our opinion, in accordance with Rule 4.2 of the External Audit Part of the PRA Rulebook for Solvency II firms, the sectoral information has been properly compiled in accordance with the PRA Rules and UK law relating to that undertaking from information provided by members of the Group and the relevant insurance group undertaking.

Other Information

In accordance with Rule 4.1 (3) of the External Audit Part of the PRA Rulebook for Solvency II firms we are also required to consider, where applicable, whether the Other Information is materially inconsistent with our knowledge obtained in the audit of each of the Entities’ statutory financial statements for the year ended 31 December 2024. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

In relation to the Parent Company’s statutory financial statements, including the consolidated accounts for the Group, for the year ended 31 December 2024, we have nothing to report in this regard.

As at the date of signing this audit report we have not yet finalised our audit of the Subsidiary Entities’ statutory financial statements for the year ended 31 December 2024. Based on the status of our audit of the Subsidiary Entities’ statutory financial statements for the year ended 31 December 2024 as at the date of this audit report, we have nothing to report in this respect.

This engagement is separate from the audits of the annual financial statements of the Entities and the report here relates only to the matters specified and does not extend to the Entities' annual financial statements taken as a whole.

An audit report on a Company’s statutory financial statements is made solely to the Company’s members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. The audit work is undertaken so that the auditor might state to the Company’s members those matters that the auditor is required to state to the Company’s members in an auditor's report and for no other purpose. To the fullest extent permitted by law, an auditor does not accept or assume responsibility to anyone other than the Company and the Company’s members, as a body, for that audit work, for the audit report, or for the opinions the auditor forms in respect of those audits. This is set out in our audit report on the Parent Company’s statutory financial statements for the year ended 31 December 2024 and will be set out in our audit reports on the Subsidiary Entities’ statutory financial statements for the year ended 31 December 2024 in due course.

The purpose of our audit work and to whom we owe our responsibilities

This report of the external auditor is made solely to the Directors of the Entities, as their governing bodies, in accordance with the requirement in Rule 4.1 (2) of the External Audit Part of the PRA Rulebook for Solvency II firms and the terms of our engagement. We acknowledge that the Directors are required to submit the report to the PRA, to enable the PRA to verify that an auditor's report has been commissioned by the Entities' Directors and issued in accordance with the requirement set out in Rule 4.1 (2) of the External Audit Part of the PRA Rulebook for Solvency II firms and to facilitate the discharge by the PRA of its regulatory functions in respect of the Entities, conferred on the PRA by or under the Financial Services and Markets Act 2000.

Our audit has been undertaken so that we might state to the Directors those matters we are required to state to them in an auditor's report issued pursuant to Rule 4.1 (2) and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Entities through their governing bodies, for our audit, for this report, or for the opinions we have formed.

Stuart Crisp (Senior Statutory Auditor)
for and on behalf of KPMG LLP
Chartered Accountants
15 Canada Square,
London E14 5GL
9 April 2025

Appendix to Report of the external independent auditor to the Directors of Phoenix Group Holdings plc, Phoenix Life Limited, Standard Life Assurance Limited, ReAssure Limited, ReAssure Life Limited, Phoenix Life CA Limited and PA (GI) Limited pursuant to Rule 4.1 (2) of the External Audit Part of the PRA Rulebook applicable to Solvency II firms – Relevant Elements of the Solvency and Financial Condition Report that are not subject to audit

Group

The Relevant Elements of the Solvency and Financial Condition Report that are not subject to audit comprise:

- The following elements of Group template IR.02.01.02:
  - *Row R0552: Risk margin - total*
  - *Row R0554: Risk margin - non-life*
  - *Row R0556: Risk margin - life*
  - *Row R0565: Transitional (TMTP) – life*
- The following elements of Group template IR.22.01.22:
  - *Column C0030 – Impact of transitional on technical provisions*
  - *Row R0010 – Technical provisions*
  - *Row R0090 – Solvency Capital Requirement*
- The following elements of Group template IR.23.01.04:
  - *Row R0020: Non-available called but not paid in ordinary share capital at group level*
  - *Row R0060: Non-available subordinated mutual member accounts at group level*
  - *Row R0080: Non-available surplus funds at group level*
  - *Row R0100: Non-available preference shares at group level*
  - *Row R0120: Non-available share premium account related to preference shares at group level*
  - *Row R0150: Non-available subordinated liabilities at group level*
  - *Row R0170: The amount equal to the value of net deferred tax assets not available at the group level*
  - *Row R0190: Non-available own funds related to other own funds items approved by supervisory authority*
  - *Row R0210: Non-available minority interests at group level*
  - *Row R0380: Non-available ancillary own funds at group level*
  - *Rows R0410 to R0440 – Own funds of other financial sectors*
  - *Row R0680: Group SCR*
  - *Row R0740: Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds*
  - *Row R0750: Other non-available own funds*
- The following elements of Group template IR.25.04.22:
  - Rows R0070 to R0495 and R0555: Information derived from the Solvency Capital Requirement
  - Rows R0500 to R0530 – Capital requirement for other financial sectors (Non-insurance capital requirements)
- Any increase to the Fundamental Spread
- Elements of the Narrative Disclosures subject to audit identified as 'unaudited'.

Solo

The Relevant Elements of **Phoenix Life Limited's ('PLL')** Solvency and Financial Condition Report that are not subject to audit comprise:

- The following elements of Company template IR.02.01.02:
  - *Row R0552: Risk margin - total*
  - *Row R0554: Risk margin - non-life*
  - *Row R0556: Risk margin - life*
  - *Row R0565: Transitional (TMTP) – life*
- The following elements of Company template IR.12.01.02 :
  - *Row R0100: Risk margin*
  - *Rows R0140 to R0180 – Amount of transitional measure on technical provisions*
- The following elements of Company template IR.22.01.21
  - *Column C0030 – Impact of transitional measure on technical provisions*
  - *Row R0010 – Technical provisions*
  - *Row R0090 – Solvency Capital Requirement*
- The following elements of Company template IR.23.01.01
  - *Row R0580: SCR*
  - *Row R0740: Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds*
- The following elements of Company template IR.28.01.01
  - *Row R0310: SCR*
- Any increase to the Fundamental Spread
- Elements of the Narrative Disclosures subject to audit identified as 'unaudited'

The Relevant Elements of **Standard Life Assurance Limited's ('SLAL')** Solvency and Financial Condition Report that are not subject to audit comprise:

- The following elements of Company template IR.02.01.02:
  - *Row R0552: Risk margin - total*
  - *Row R0554: Risk margin - non-life*
  - *Row R0556: Risk margin - life*
  - *Row R0565: Transitional (TMTP) – life*
- The following elements of Company template IR.12.01.02 :
  - *Row R0100: Risk margin*
  - *Rows R0140 to R0180 – Amount of transitional measure on technical provisions*
- The following elements of Company template IR.23.01.01
  - *Row R0580: SCR*
  - *Row R0740: Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds*
- The following elements of Company template IR.28.01.01
  - *Row R0310: SCR*
- Any increase to the Fundamental Spread
- Elements of the Narrative Disclosures subject to audit identified as 'unaudited'

The Relevant Elements of **ReAssure Limited's ('RAL')** Solvency and Financial Condition Report that are not subject to audit comprise:

- The following elements of template IR.02.01.02
  - *Row R0565 – Transitional (TMTP) – life*
- The following elements of template IR.12.01.02
  - *Rows R0140 to R0180 – Amount of transitional measure on technical provisions*
- The following elements of template IR.22.01.21
  - *Column C0030 – Impact of transitional on technical provisions*
- Any increase to the Fundamental Spread
- Elements of the Narrative Disclosures subject to audit identified as 'unaudited'.

The Relevant Elements of **ReAssure Life Limited's ('RLL')** Solvency and Financial Condition Report that are not subject to audit comprise:

- The following elements of template IR.12.01.02
  - *Rows R0140 to R0180 – Amount of transitional measure on technical provisions*
- Elements of the Narrative Disclosures subject to audit identified as 'unaudited'.

The Relevant Elements of **Phoenix Life CA Limited's ('PLCL')** Solvency and Financial Condition Report that are not subject to audit comprise:

- The following elements of template IR.02.01.02
  - *Row R0565 – Transitional (TMTP) – life*
- The following elements of template IR.12.01.02
  - *Rows R0140 to R0180 – Amount of transitional measure on technical provisions*
- Elements of the Narrative Disclosures subject to audit identified as 'unaudited'.

The Relevant Elements of **PA(GI) Limited's ('PA(GI)')** Solvency and Financial Condition Report that are not subject to audit comprise:

- The following elements of Company template IR.23.01.01
  - *Row R0580: SCR*
- The following elements of Company template IR.28.01.01
  - *Row R0310: SCR*
- Elements of the Narrative Disclosures subject to audit identified as 'unaudited'.

Basis of preparation

Overview

The disclosures in the Group SFCR and the QRTs have been prepared in accordance with Solvency UK and all applicable PRA Rules and hereafter referred to as 'the regulations'.

Some sections of the SFCR (including parts of sections A and D) require information based on the recognition and measurement principles applicable under the relevant Generally Accepted Accounting Principles ('GAAP') as presented in the financial statements. The basis of preparation for the Phoenix Group consolidated financial statements and financial statements of the insurance subsidiaries is set out below:

- Phoenix Group consolidated financial statements, PLCL and PA(GI) financial statements are prepared in accordance with UK-adopted International Financial Reporting Standards ('IFRS') and in conformity with the requirements of the Companies Act 2006.
- PLL, RAL, RLL and SLAL: financial statements are prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* ('FRS 102'), Financial Reporting Standard 103 *Insurance Contracts* ('FRS 103') (together 'UK GAAP') and in conformity with the requirements of the Companies Act 2006. The provisions of Schedule 3 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 relating to insurance companies are also applicable.

Certain information included in the SFCR is sourced from individual financial statements. In the case of PLL, RAL, RLL, PLCL, SLAL and PA(GI) the financial statements are draft and have yet to be approved by their respective Boards.

Due to the different accounting bases adopted by the Group and its insurance subsidiaries, the Group position is not based on summarising the Life Companies' content.

Scope

The Group SFCR contains information relating to the overall Group and its UK insurance subsidiaries, PLL, RAL, RLL, PLCL, SLAL and PA(GI). Solo SFCRs have been prepared separately for SLIDAC and PLAE, the Group's Irish insurance subsidiaries.

Presentation

The Group SFCR is presented in pound sterling (£) rounded to the nearest million, which is consistent with the presentation in the IFRS consolidated financial statements of PGH. The QRTs included within the Appendices are presented in pound sterling (£) rounded to the nearest thousand. As a consequence:

- rounding differences of one unit can arise between the main document and the Appendices; and
- SLAL and PA(GI) are included in the Appendices but are not included in every disclosure in the Group SFCR.

Comparatives are only included in sections A and E, where required by the regulations.

The Group SFCR excludes disclosures required by the regulations which are not applicable to the Group and its insurance subsidiaries, which include, but are not limited to:

- information on non-life business as the Group only has life business;
- information on Solvency UK Insurance Special Purpose Vehicles ('SPVs'); and
- information on the transitional measures on risk-free interest rates as none of the insurance subsidiaries in the Group have applied these measures.

In this section

Business and performance

Business and performance

A.1 Business

A.1.1 Group details

Phoenix Group Holdings plc ('PGH') is listed on the London Stock Exchange under the 'Equity shares (commercial companies)' category and as at year end 31 December 2024 was a constituent of the FTSE 100 Index. It is incorporated, registered and domiciled in the UK. The Group comprises PGH and all of its subsidiary undertakings.

All of the Group's insurance undertakings are private companies limited by shares incorporated, registered and domiciled in the UK, with the exception of SLIDAC and PLAE which are registered and domiciled in Ireland and PRL which is registered and domiciled in Bermuda.

The UK domiciled insurance subsidiaries are authorised by the Prudential Regulation Authority ('PRA') and regulated by the PRA and Financial Conduct Authority ('FCA'). Some of PGH's non-insurance subsidiaries are also regulated by the FCA. SLIDAC and PLAE are regulated by the Central Bank of Ireland ('CBI') and PRL is regulated by the Bermuda Monetary Authority.

Contact details for the PRA and FCA are provided below:

Bank of England
Prudential Regulation Authority
20 Moorgate
London
EC2R 6DA

Financial Conduct Authority
12 Endeavour Square
London
E20 1JN

The contact details of the external statutory auditors for the Group and its UK insurance subsidiaries are provided below:

KPMG LLP
15 Canada Square
London
E14 5GL

A.1.2 Legal structure of the Group

As at 31 December 2024, MS&AD Insurance Group Holdings, Inc. and Aberdeen Group plc (formerly abrdn plc) were controllers of the Group by virtue of holding 10% or more of the capital or voting rights.

A simplified Group structure chart showing the Group's material undertakings as at 31 December 2024 is provided on the next page. All shareholdings are 100% owned by their parent undertakings.

A complete listing of the Group's related undertakings is provided in template IR.32.01.04 in Appendix 1.7. All entities shown on the structure chart have been incorporated in the UK unless indicated otherwise.

The following key changes occurred during 2024:

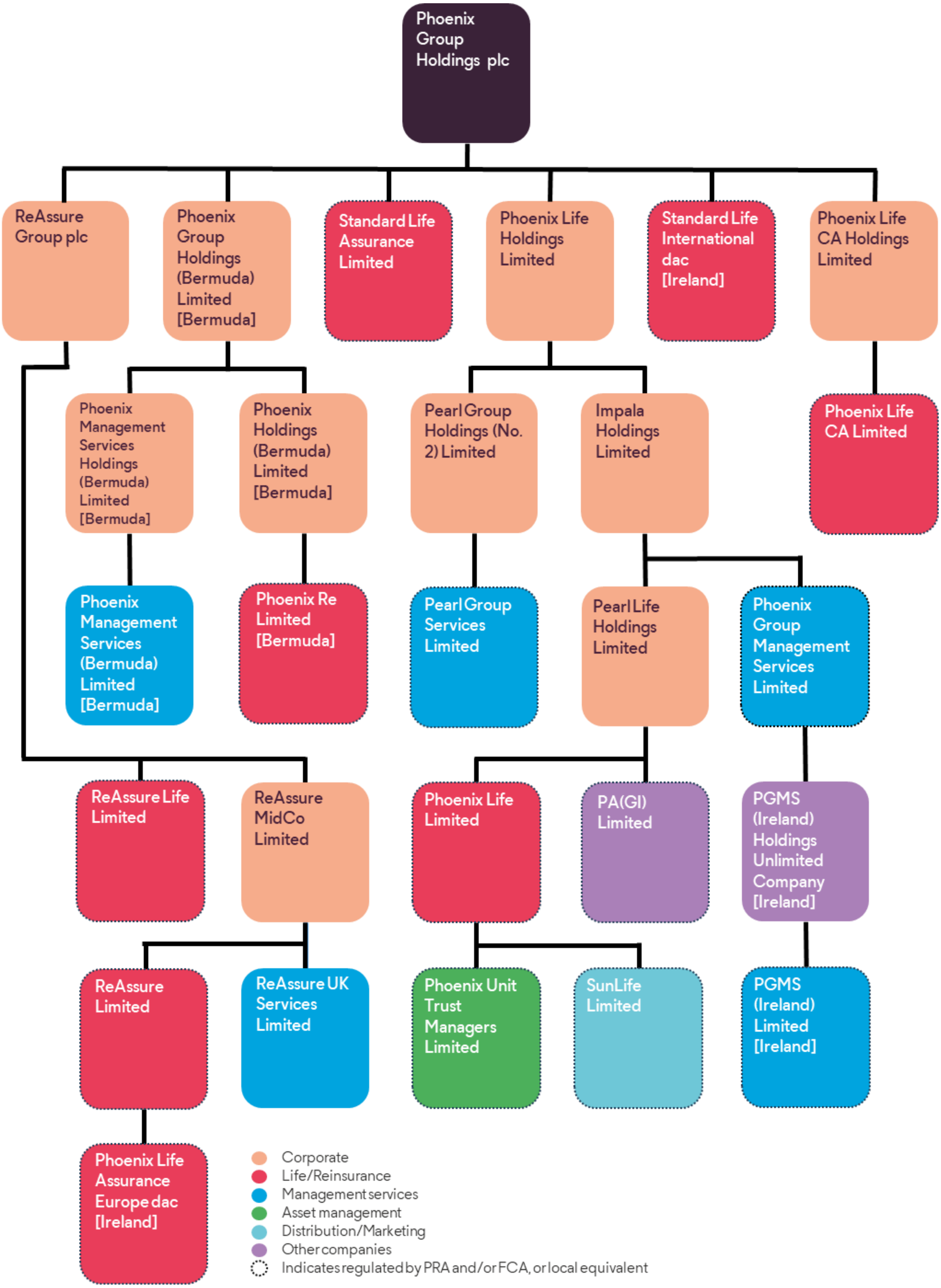
- On 1 October 2024, SLFC Services Company (UK) Limited transferred its business and assets to Phoenix Group Management Services Limited and is no longer classified as a management services company;
- On 14 November 2024, SLPF was deauthorised and ceased to be a UK regulated insurance subsidiary;
- On 18 November 2024, Sun Life Assurance Company of Canada (U.K.) Limited changed its name to Phoenix Life CA Limited;
- On 18 November 2024, SLF of Canada UK Limited changed its name to Phoenix Life CA Holdings Limited; and
- On 9 December 2024, PLAL was deauthorised and ceased to be a UK regulated insurance undertaking.

The entities within the scope of the Group are consistent across IFRS and Solvency UK reporting. However, there are differences in consolidation approach between the two bases as described on pages 66 to 67.

As at 31 December 2024	% of total voting rights
MS&D Insurance Group Holdings, Inc.	14.48%
Aberdeen Group plc	10.70%

A.1 Business continued

A.1.2 Legal structure of the Group continued



A.1 Business continued

A.1.3 Material lines of business

The Group operates three material lines of insurance business ('LoB') based on the characteristics of the underlying products administered and a description of these products is outlined below.

A.1.3.1 Insurance with-profit participation

The insurance with-profit participation LoB comprises conventional with-profit products and unitised with-profit products.

A with-profit or participating policy is one where the policyholder participates in the profits of the fund. The insurer aims to distribute part of its profit to the with-profit policyholders in the form of bonuses. The value of such distributions is based on, among other things, the performance of the underlying pool of assets. Policy pay-outs are generally subject to a minimum guarantee and are 'smoothed' to lessen the impact of changes in the underlying value of the assets in the short-term. With-profit products are primarily either endowments or deferred annuities. Endowments may be single or regular premium policies with minimum guaranteed sums on death or maturity, while deferred annuities are accumulation vehicles for pensions with beneficial tax treatment at retirement age.

All with-profit policies are entitled to potential incremental bonuses throughout the life of the policy as well as a terminal, or final, bonus. The terminal bonus represents the policyholder's final share of the assets of the fund. Any available surplus held in a with-profit fund may only be used to meet the requirements of the fund itself or be distributed in line with defined proportions or mechanisms to the fund's policyholders and the Life Companies' shareholders. For example, the traditional with-profit fund with a 90:10 policyholder/ shareholder split, entitles policyholders to a 90% share and its shareholders to a 10% share of the profits in any bonus declared. For certain of the Group's funds, the shareholders are not entitled to any share of such bonuses.

In certain 'supported' with-profit funds, the shareholders provide capital support to the fund. The capital is exposed to all economic movements until the estate is rebuilt to cover the required capital, at which point the fund becomes 'unsupported'.

The majority of these products sit within the Group's With-Profits operating segment. They are no longer actively marketed to new customers.

A.1.3.2 Index-linked and unit-linked insurance

The value of unit-linked products is linked directly to the performance of the underlying assets. The policyholder typically bears all of the investment risk with unit-linked products. The benefits attributable to the policyholder are determined by reference to the investment performance of a specified pool of assets. The policyholder elects which units to purchase within a diversified open-ended fund. Unit-linked funds include personal and group pension plans and feature regular and single premium savings. They operate on a similar basis to mutual funds, with a fee often charged based on the value of the funds.

Customers do not legally own the underlying assets or the units themselves; they own a contract (the policy) with a right to a benefit. The value of that benefit is determined by reference to the price of their chosen fund. The Group's unit-linked business comprises contracts with and without options and guarantees.

The majority of these products sit within the Group's Pension & Savings and Europe & Other operating segments.

A.1.3.3 Other non-profit life insurance

This LoB includes all remaining underwritten business and comprises of conventional non-profit products, protection policies such as life and disability policies which pay out a lump sum on death or disability, group life, immediate annuities and deferred annuities.

The majority of the business included in this LoB is annuity business. Annuities generally provide a fixed specified income stream over the life of the policyholder. Annuities are mainly written within non-profit funds. For these annuities, the Life Companies are exposed to all investment and demographic risks which are partly managed through reinsurance arrangements and are generally entitled to retain 100% of the incremental investment returns from the assets backing this business. The Group is also an established player in the Bulk Purchase Annuity ('BPA') market, where the Group acquires a block of annuities and delivers the financial stability required to secure pensions previously provided by UK corporates.

Also included in this LoB are the SunLife branded whole of life protection products underwritten by PLL. SunLife offers whole of life cover direct to customers aged 50 and over through an in-house distribution company and through other distribution partners. The main SunLife products are the Guaranteed Over 50 plan which provides a cash lump sum upon death and is typically used to cover funeral costs, and regular premium Funeral Plans, which are whole of life insurance policies that back the financial liability that third party funeral providers incur when they sell funeral packages to individuals.

The majority of these products sit within the Group's Retirement Solutions and Europe & Other operating segments.

A.1.4 Material geographical areas

The Group's business is underwritten in the UK, in Ireland (through SLIDAC and PLAE) and in Germany (through the SLIDAC German branch and PLAE).

A.1.5 Significant business and other events

The following significant events took place during 2024.

A.1.5.1 Launch of innovative new products

To ensure customers are offered the full range of retirement savings and income solutions a number of new propositions were successfully launched in 2024 which supplement the existing portfolio range, including the Standard Life Smoothed Return Pension fund and the Standard Life Guaranteed Fixed- Term Income product.

A.1.5.2 Completion of pension scheme buy-out

In January 2024 the Trustees of the PGL Pension Scheme completed the buy-out of the scheme liabilities with PLL, whereby the existing annuity insurance policies were exchanged for individual policies between PLL and the scheme's members.

A.1 Business continued
A.1.5 Significant business and other events continued

A.1.5.3 Progressing our planned integration and migration
We continued to make good progress in delivering our customer migrations with c515k ReAssure annuity customers and c450k Phoenix Life customers migrating to TCS in 2024. A further c340k Standard Life customers migrated to TCS at the start of 2025.

A.1.5.4 Redemption of Tier 2 Notes
On 13 June 2024, as part of the Group's deleveraging strategy, PGH redeemed £250 million 5.766% Fixed Rate Reset Callable Tier 2 subordinated notes due 2029 at their principal amount together with accrued and unpaid interest to the redemption date.

A.1.5.5 Group operating model enhancement
Enhancement of the Group's operating model has delivered £63 million of run-rate cost savings.

As part of our finance transformation, our new in-house capital model went live. This represents a major process change and should simplify and accelerate processes within the scope of our Internal Model, regulatory capital reporting and sensitivities used in internal and external reporting.

We've made good progress in simplifying our business through collapsing our former Heritage and Open divisions into an efficient, Group-wide structure, through our Pensions and Savings and Retirement Solutions businesses.

In doing so, we have fundamentally redesigned our teams to partner into the business units, providing the skills and talent they need to deliver their growth ambitions and therefore create a stronger Phoenix, and we have brought teams together where they deliver common objectives.

A.1.5.6 Launch of private market investment manager
In collaboration with Schroders the Group launched Future Growth Capital ('FGC'), the first private market investment manager to be established in the UK to promote the objectives of the Mansion House Compact. FGC aims to deliver improved outcomes for long-term pension savers in the UK by enabling efficient access to private markets investment and their potential for delivering higher long-term investment returns.

A.2 Underwriting performance

A.2.1 Adjusted operating profit PGH Group

Adjusted operating profit, a non-GAAP measure, is used as a performance measure of the underwriting activities of the Group and PLCL and is one of a range of financial metrics used to manage the business. Adjusted operating profit is considered an appropriate measure of the underwriting performance of the Group's and PLCL's business as it excludes the impact of short-term economic volatility and other one-off items. The adjusted operating profit metric is derived from IFRS and is not used as a measure of underwriting performance by those insurance subsidiaries of the Group that prepare financial statements under UK GAAP. Adjusted operating profit is therefore only relevant to Group and PLCL who report their results on an IFRS basis. The assessment of the underwriting performance of the insurance subsidiaries, excluding PLCL, is based on the GAAP measures used by the insurance subsidiaries in their individual financial statements as set out in section A.2.2.

The following sets out the Group's adjusted operating profit methodology:
For unit-linked business accounted for under IFRS 9, adjusted operating profit reflects the fees collected from customers less operating expenses including overheads.

For unit-linked and with-profit business accounted for under IFRS 17, adjusted operating profit reflects the release of the risk adjustment, amortisation of the Contractual Service Margin ('CSM'), and demographic experience variances in the period.

For shareholder annuity, other non-profit business and with-profit funds receiving shareholder support accounted for under IFRS 17, adjusted operating profit includes the release of the risk adjustment, amortisation of CSM, and demographic experience variances in the period. Adjusted operating profit also incorporates an expected return on the financial investments backing this business and any surplus assets, with allowance for the corresponding movement in liabilities.

Adjusted operating profit excludes the above items for non-profit business written in a with-profit fund where these amounts do not accrue directly to the shareholder.

Adjusted operating profit includes the effect of experience variances relating to the current period for non-economic items, such as mortality and expenses. It also incorporates the impacts of asset trading and portfolio rebalancing where not reflected in the discount rate used in calculating expected return.

Adjusted operating profit is reported net of policyholder finance charges and policyholder tax.

Adjusted operating profit excludes the impacts of economic variances and other items that are not regarded as typical of the underlying performance of the operating companies.

Further details on adjusted operating profit are set out in note B1 'Segmental Analysis' to the Group's consolidated financial statements for the year ended 31 December 2024.

The information below is presented on an adjusted operating profit basis and reconciles to the IFRS loss before tax attributable to owners of the parent. Prior year amounts have been restated to recognise a change in accounting policy associated with IFRS 17 and to correct errors identified as a result of continuing to embed the significant changes to processes and controls associated with the introduction of IFRS 17 and IFRS 9. Analysis of the items excluded from adjusted operating profit has been provided in sections A.3.1 Investment return variances and economic assumption changes and A.4.1 Other material income and expenses. The Group's business is primarily written in the UK.

	Section reference	**2024 £m**	2023 restated £m
Retirement Solutions		**474**	378
Pensions & Savings		**316**	190
With-Profits		**41**	10
Europe & Other		**96**	144
Corporate Centre		**(102)**	(93)
Operating profit		**825**	629
Total investment return variances and economic assumption changes	A.3.1	**(1,297)**	377
Other income and expenses	A.4.1	**(994)**	(956)
IFRS (loss)/profit before tax attributable to owners of the parent		**(1,466)**	50

The Group's adjusted operating profit before tax increased 31% year on year to £825 million (2023: £629 million (restated)), driven by profit uplifts in both of the Group's main operating business units.

Growth in the Pensions & Savings segment, which is up 66% year on year to £316 million, reflects the benefit of growing our assets, with average assets under administration ('AUA') increasing 11% in the year, coupled with delivery of operating efficiencies.

A.2 Underwriting performance continued

A.2.1 Adjusted operating profit PGH Group continued

The Retirement Solutions segment delivered an adjusted operating profit of £474 million (2023: £378 million). The 25% year-on-year increase is supported by a 16% increase in the CSM release to £150 million (2023: £129 million) as the annuity book grows.

With-Profits adjusted operating profit increased to £41 million (2023: £10 million) principally as a result of one-off experience variances in 2024.

Europe & Other adjusted operating profit reduced to £96 million (2023: restated £144 million). The reduction is primarily due to on-off experience and assumption updates which did not repeat in 2024.

The Group's Corporate Centre includes net operating costs in the period of £102 million (2023: £93 million). The increase reflects the £10 million annual impact of incorporating the running costs of producing IFRS 17 results.

A.2.2 Underwriting performance of the insurance subsidiaries

In this section, the performance of the life companies is measured as follows:

Technical result for the entities that apply UK GAAP

As explained in the summary, PLL, RAL, RLL and SLAL apply UK GAAP for financial reporting purposes. The underwriting result for these entities is considered to be represented by the GAAP technical result.

	PLL £m	RAL £m	RLL £m	SLAL £m
Balance on long term technical account				
Year ended 31 December 2024	314	132	33	-
Year ended 31 December 2023	253	218	34	(151)

Operating profit for entity that applies UK adopted IFRS

As explained in the summary, PLCL applies IFRS for financial reporting purposes. The underwriting result for PLCL is considered to be represented by its contribution to the Group adjusted operating profit result, with a reconciliation provided below to its solo IFRS profit before tax for the year.

PLCL:

	2024 £m	2023 restated £m
Operating profit	40	22
Total investment return variances and economic assumption changes	(3)	(2)
IFRS profit before tax attributable to owners of the parent	37	20

A.2.2.1 Underwriting performance – PLL

The balance on the long term business technical account increased from £253 million in 2023 to £314 million in 2024. A funds transfer was completed in the prior year, effective 30 September 2023, transferring net assets of £564 million from PLAL and £572 million from SLAL, which operated an open book of business. Net fee income from unit-linked business increased in the year, boosted by improved net inflows, positive market performance and cost efficiencies, more than offsetting the natural run off of the in force business. New business flows on annuity business remained robust with growth in the excess assets backing the annuity business and annuity portfolio re-optimisation generating higher investment profits. Net adverse economic variances in the year have arisen primarily as a result of higher yields and a rise in global equity markets. PLL's exposure to equity movements arising from future with-profit bonuses and future unit-linked charges is hedged to benefit the regulatory capital position. The impact of equity market movements on the value of the hedging instruments is reflected in the long-term business technical account results, but the corresponding change in the value of future profits is not.

A.2.2.2 Underwriting performance – RAL

Net income on the long-term business technical account fell from £218 million in 2023 to £132 million in 2024. RAL derives its net income on the long-term business account principally from fees it collects on its unit-linked business and return earned on its annuity portfolio. The fees earned on unit-linked business have remained stable between periods with growth in equity markets largely offsetting the impact of the natural run-off of the business. Net income from the annuity business declined in 2024 due to the increase in interest rates experienced during the year and from a slowing in the rate of longevity improvements during the year. Returns in 2023 were also boosted by a one off write-back of certain historic claims liabilities which did not reoccur in 2024.

A.2 Underwriting performance continued

A.2.2 Underwriting performance of the insurance subsidiaries continued

A.2.2.3 Underwriting performance – RLL

Net income on the long-term business account was broadly stable year on year, being £34 million in 2023 and £33 million in 2024. The vast majority of long-term business in RLL is re-insured to RAL and as a result the net income on the long-term business account reflects only income on shareholder assets and interest received on loans to fellow group companies.

A.2.2.4 Underwriting performance - SLAL

On 3 October 2023, materially all insurance business was transferred to PLL.

A.2.2.5 Underwriting performance – PLCL

2024 operating profit is higher than 2023 mainly due to £23 million arising from a writeback of aged outstanding claims as PLCL aligned with Phoenix Group policy. CSM amortisation, release of risk adjustment and other smaller items are broadly consistent with prior year.

A.3 Investment performance

A.3.1 Analysis of investment return variances and economic assumption changes

The investment performance measure used by the Group is investment return variances and economic assumption changes. These represent the impact of short-term volatility recognised outside of adjusted operating profit in the Group's IFRS result. Further details of the methodology applied are set out in note B1 'Segmental Analysis' to the Group's consolidated financial statements for the year ended 31 December 2024.

	2024 £m	2023 restated £m
Total investment return variances and economic assumption changes	**(1,297)**	377

Adverse economic variances of £1,297 million (2023: £377 million favourable) reflected the result of the Group's hedging programme, which aims to protect cash and Solvency II capital from volatility in equities and interest rates. This gives rise to accounting volatility, as several of the Solvency II capital components covered by hedging are not recognised on the IFRS balance sheet. We accept the hedge-related volatility in the IFRS result, as protecting cash and Solvency II capital is a key capital framework objective, underpinning the Group's ability to deliver a progressive and sustainable dividend.

In 2024, higher UK interest rates (15-year swap rates up 83bps) and higher equity markets (FTSE: +9.5%, S&P500: +25.0%), produced net negative marks on the hedges, giving rise to the reported losses. In 2023 lower UK interest rates (15-year swap rates down 27bps) and higher equity markets (FTSE: +7.9%, S&P500: +26.3%), along with methodology refinements, produced net positive marks on the hedges, giving rise to the reported gains.

A.3.2 Investment income and expenses

The tables below present an analysis of the actual net investment return by asset class for the Group and each UK insurance subsidiary. Expenses are shown in total as they all relate to investment management fees.

The reported investment return includes investment returns for the benefit of both policyholders and shareholders.

A.3.2.1 Investment income and expenses – Group

	Income 2024 £m	Gains/(losses) 2024 £m	Total 2024 £m	Income 2023 £m	Gains/(losses) 2023 £m	Total 2023 £m
Investment income by asset category:						
Debt securities	2,101	(3,034)	(933)	2,005	1,763	3,768
Equities	692	2,594	3,286	785	1,947	2,732
Derivatives	9	(1,429)	(1,420)	9	(470)	(461)
Collective investment schemes including participations	4,101	12,694	16,795	3,763	10,194	13,957
Investment property	282	(81)	201	312	(311)	1
Other[1]	500	13	513	359	156	515
Investment return	7,685	10,757	18,442	7,233	13,279	20,512
Investment expenses			(305)			(287)
Net investment return after deduction of investment expenses			18,137			20,225

1 Other comprises cash and deposits, loans and receivables and other assets.

The net favourable investment return of £18,137 million (2023: £20,225 million favourable) for the Group reported above differs from the net investment income reported in the Group consolidated financial statements for the year ended 31 December 2024 of £18,852 million (2023: £20,838 million) as the amount disclosed above excludes the investment return attributable to minority interests in the consolidated investment funds.

Net investment return was positive in both 2024 and 2023, largely reflecting a strong performance in global equity markets across this period. The decrease in net investment return observed in the current year is primarily driven by a fall in market values for debt securities largely attributable to rising nominal interest rates, compared to a decline in interest rates experienced in the prior year.

Investment gains and losses are recognised in the income statement with the exception of the effective portion of gains and losses arising on cash flow hedges, which are recognised directly in equity.

A.3 Investment performance continued

A.3.2 Investment income and expenses continued

A.3.2.2 Investment income and expenses – PLL

	Income 2024 £m	Gains/(losses) 2024 £m	Total 2024 £m	Income 2023 £m	Gains/(losses) 2023 £m	Total 2023 £m
Investment income by asset category:						
Debt securities	1,178	(2,375)	(1,197)	686	1,806	2,492
Equities	108	137	245	43	145	188
Derivatives	-	(1,190)	(1,190)	-	610	610
Collective investment schemes including participations	3,428	10,596	14,024	1,202	6,527	7,729
Investment property	185	(48)	137	72	(166)	(94)
Other[1]	489	164	653	260	141	401
Investment return	5,388	7,284	12,672	2,263	9,063	11,326
Investment expenses			(163)			(146)
Net investment return after deduction of investment expenses			12,509			11,180

1 Other comprises cash and deposits, loans and receivables and other assets.

The favourable investment return of £12,509 million (2023: £11,180 million favourable) includes investment returns attributable to policyholders and shareholders. The increase in net investment return compared to the prior year is driven by improved performance and increased investment in collective investment schemes offset by a fall in market values for fixed and variable interest securities, largely attributable to base rates being cut more slowly than anticipated and inflation expectations cooling. In particular for PLL, long-dated UK gilts performed poorly in the year.

Due to the funds merger that took place in 2023, investment return for 2024 is not directly comparable with the prior year, since the prior year includes three months' investment return on the assets transferred in from PLAL and SLAL.

A.3.2.3 Investment income and expenses – RAL

	Income 2024 £m	Gains/(losses) 2024 £m	Total 2024 £m	Income 2023 £m	Gains/(losses) 2023 £m	Total 2023 £m
Investment income by asset category:						
Debt securities	534	(601)	(67)	594	447	1,041
Equities	500	1,653	2,153	592	1,420	2,012
Derivatives	-	(153)	(153)	-	31	31
Collective investment schemes including participations	401	686	1,087	318	642	960
Investment property	81	(11)	70	77	(48)	29
Other[1]	175	74	249	162	55	217
Investment return	1,691	1,648	3,339	1,743	2,547	4,290
Investment expenses			(60)			(70)
Net investment return after deduction of investment expenses			3,279			4,220

1 Other comprises cash and deposits, loans and receivables and other assets.

The net investment return of £3,279 million (2023: £4,220 million) includes investment gains attributable to policyholders and shareholders. The main driver for the decrease in net investment return compared to the prior year is due to reductions in the fixed income market in 2024, largely attributable to base rates being cut more slowly than anticipated and inflation expectations cooling leading to an overall fall in the global fixed income markets. The performance of equities has been comparable across 2024 and 2023. This investment return arises predominantly on unit-linked and with-profits products.

A.3 Investment performance continued
A.3.2 Investment income and expenses continued
A.3.2.4 Investment income and expenses – RLL

	Income 2024 £m	Gains/(losses) 2024 £m	Total 2024 £m	Income 2023 £m	Gains/(losses) 2023 £m	Total 2023 £m
Investment income by asset category:						
Debt securities	3	(9)	(6)	-	-	-
Collective investment schemes including participations	125	346	471	126	383	509
Other[1]	27	(1)	26	24	(4)	20
Investment return	155	336	491	150	379	529
Investment expenses			(1)			(1)
Net investment return after deduction of investment expenses			490			528

1 Other comprises cash and deposits, loans and receivables and other assets.

The net investment return of £490 million (2023: £528 million favourable) includes investment gains attributable to policyholders and shareholders. The decrease in net investment return compared to the prior year is driven by adverse fluctuations in the fixed income market, offset by comparable year on year equity performance. Fluctuations are largely attributable to base rates being cut more slowly than anticipated and inflation expectations cooling leading to an overall fall in the global fixed income markets. In RLL, these fluctuations impact primarily on Collective investment schemes where the RLL investments are concentrated. This return arises predominantly on unit-linked products.

A.3.2.5 Investment income and expenses – PLCL

	Income 2024 £m	Gains/(losses) 2024 £m	Total 2024 £m	Income 2023 £m	Gains/(losses) 2023 £m	Total 2023 £m
Investment income by asset category:						
Debt securities	101	(103)	(2)	105	80	185
Equities	74	108	182	84	35	119
Derivatives	9	(41)	(32)	10	(2)	8
Collective investment schemes including participations	38	225	263	43	179	222
Investment property	13	(23)	(10)	13	(31)	(18)
Other[1]	2	-	2	2	-	2
Investment return	237	166	403	257	261	518
Investment expenses			(18)			(18)
Net investment return after deduction of investment expenses			385			500

1 Other comprises cash and deposits, loans and receivables and other assets.

The net investment return of £385 million (2023: £500 million) includes investment returns attributable to policyholders and shareholders. The reduction in the investment income relative to 2023 reflects a reduction in asset values associated with a declining book. Losses on debt securities in 2024 reflect the increase in interest rates over the year following the gains that arose from decreasing rates in 2023.

Equities and collective investment schemes are mainly held by unit-linked contracts, and the gains in 2024 reflect positive equity market performance during the year.

A.3.2.6 Investment income and expenses – SLAL
Net favourable investment return of less than £1 million (2023: £2,815 million), principally arising from investments in collective investment schemes.

Due to the funds merger that took place in 2023, investment return for 2024 is not directly comparable with the prior year, since the prior year includes nine months' investment return on the assets transferred from SLAL to PLL.

A.3 Investment performance continued

A.3.2 Investment income and expenses continued

A.3.2.7 Investment income and expenses – PA(GI)

PA(GI) recognised investment income of £nil (2023: £13 million). 2023 included a one-off benefit from the interest element of the settlement of an insurance claim with a third party.

A.3.3 Information on securitisation

The Group has limited direct investments in external securitisation vehicles within its non-profit funds (excluding unit-linked funds) of £94 million as at 31 December 2024 (2023: £130 million). The total net investment return on these investments is £7 million favourable (2023: £11 million adverse). A breakdown is provided in the table below.

The Group carries out internal securitisations of equity release mortgage ('ERM') loans to facilitate inclusion in Matching Adjustment portfolios. The securitised loan notes are issued by non-regulated undertakings within the Group to PLL. The elimination of these loan notes on consolidation has been reflected in Group adjustments in the table below. Further detail on the valuation of ERM loans can be found in section D.4.

RLL and PA(GI) have no investments in securitisations in either 2024 or 2023.

	PLL		PLAL		RAL		PLCL		SLAL		Group adjustments		PGH Group	
	2024 £m	2023 £m	**2024 £m**	2023 £m	**2024 £m**	2023 £m	**2024 £m**	2023 £m	**2024 £m**	2023 £m	**2024 £m**	2023 £m	**2024 £m**	2023 £m
Investments in securitisation	**4,815**	4,462	**-**	-	**3**	17	**2**	2	**-**	-	**(4,726)**	(4,351)	**94**	130
Investment return	**320**	196	**-**	10	**-**	-	**-**	-	**-**	20	**(313)**	(237)	**7**	(11)

Any indirect exposures via investments held within collective investment schemes fall within the unit-linked and with-profit funds where such investments are held primarily for the benefit of policyholders and are not deemed significant to the Group.

The main risks that the securitised assets are exposed to are market and credit risk. The risk management procedures in respect of these risks are set out in section B.3.1.

A.4 Performance of other activities

Other income and expense items largely include amortisation and impairments of intangible assets (net of policyholder tax), finance costs attributable to owners and other non-operating items.

Other non-operating items include items such as gains or losses on the acquisition or disposal of subsidiaries (net of related costs), significant one-off projects costs and any other items which, in the Directors' view, should be disclosed separately by virtue of their nature or incidence to enable a full understanding of the company's financial performance. This is typically the case where the nature of the item is not reflective of the underlying performance of the operating companies. Full details of items excluded from adjusted operating profit are provided in the note B1 'Segmental Analysis' to the Group's consolidated financial statements for the year ended 31 December 2024.

A.4.1 Other material income and expenses

The tables below provide a breakdown of other material income and expense items.

A.4.1.1 Other income and expenses – Group

	2024 £m	2023 £m
Other income and expense items:		
Amortisation and impairment of acquired-in-force business and other intangibles	**(270)**	(322)
Other non-operating items	**(520)**	(439)
Finance costs attributable to owners	**(204)**	(195)
Total other income and expenses	**(994)**	(956)

A.4 Performance of other activities continued
A.4.1 Other material income and expenses continued
A.4.1.1 Other income and expenses – Group continued
The previously acquired in-force business ('AVIF') is being amortised in line with the expected run-off profile of the profits to which it relates. The decrease in amortisation and impairment of acquired in-force business and other intangibles of £(270) million (2023: £(322) million) mainly reflects run-off. Further information is provided in note G2 'Intangible assets' to the Group's consolidated financial statements for the year ended 31 December 2024.

Other non-operating items of £(520) million include:
- £208 million loss reflecting the net loss from the derecognition of the IAS 19 defined benefit obligation and reimbursement rights and the recognition of an insurance contract and associated reinsurance contracts following the completion of the PGL Pension Scheme buy-out transaction. A gain of £108 million arose on the remeasurement of the BEL and risk adjustment using the discount rate implicit in the buy-out transfer amount at initial recognition and the Group's discount rate applied for the subsequent measurement of annuity insurance and reinsurance contracts immediately after initial recognition. The resulting net loss of £106 million also includes pension scheme wind up costs of £6 million incurred in the period to date. Note G1 to the Group's consolidated financial statements provides more detail on the derecognition of the IAS 19 balances;
- £134 million of costs associated with the delivery of the Group Target Operating Model for IT and Operations, including the migration of policyholder administration onto the Tata Consultancy Services ('TCS') platform. Under IFRS 17, the expected costs in respect of this activity that are directly attributable to insurance contracts have been included within insurance contract liabilities;
- costs of £93 million associated with finance transformation activities, including the migration to cloud-based systems and enhancements to actuarial modelling and reporting capabilities and the related control environment;
- £80 million of costs associated with strategic growth initiatives, including development of the Group's Internal Model, investment in digital and direct asset sourcing capabilities, and transformation of the Group's operating model to support efficient growth;
- £43 million of costs associated with delivery of the Group's 3-year cost saving programme;
- £22 million of costs associated with ongoing integration programmes; and
- Corporate project costs and net other one-off items totalling a cost of £42 million.

Other non-operating items of £(439) million in the prior year include:
- a gain on acquisition of £66 million reflecting the excess of the fair value of the net assets acquired over the consideration paid for the acquisition of Phoenix Life CA Holdings Limited (Formerly known as SLF of Canada UK Limited) (see note H2 to the Group's consolidated financial statements for further details);
- £169 million of costs associated with strategic growth initiatives, including investment in digital and direct asset sourcing capabilities, establishment of the Group's Bermudan reinsurance operations and transformation of the Group's operating model to support efficient growth;
- £79 million of costs associated with the delivery of the Group Target Operating Model for IT and Operations, including the migration of policyholder administration onto the Tata Consultancy Services ('TCS') platform. Under IFRS 17, the expected costs in respect of this activity that are directly attributable to insurance contracts have been included within insurance contract liabilities;
- costs of £65 million associated with the implementation of IFRS 17;
- costs of £52 million associated with finance transformation activities, including the migration to cloud-based systems and enhancements to actuarial modelling capabilities and the related control environment;
- costs of £49 million associated with the consolidation by Part VII transfer of four of the Group's Life Companies into a single entity, completed in the second half of 2023;
- a £36 million adverse impact from the strengthening of actuarial reserves associated with the Part VII transfer of certain European business from the Group's UK Life Companies to a newly established European subsidiary;
- £32 million of costs associated with ongoing integration programmes;
- £12 million of past service costs in relation to a Group pension scheme (see note G1 to the Group's consolidated financial statements for further details); and
- Corporate project costs and net other one-off items totalling a cost of £11 million.

Finance costs attributable to owners of £(204) million (2023: £(195) million) reflects the interest paid on the Group debt instruments.

A.4.1.2 Other income and expenses – PLL, RAL, RLL, PLCL and SLAL

Year ended 31 December 2024	PLL £m	RAL £m	RLL £m	PLCL £m	SLAL £m
Other income and expense items:					
Fee income from investment contracts	602	270	37	26	-
Amortisation of deferred income	4	-	2	1	-
Miscellaneous other income	3	-	-	1	-
Total other income and expenses	609	270	39	28	-

A.4 Performance of other activities continued
A.4.1 Other material income and expenses continued
A.4.1.2 Other income and expenses – PLL, RAL, RLL, PLCL and SLAL continued

Year ended 31 December 2023	PLL £m	RAL £m	RLL £m	PLCL £m	SLAL £m
Other income and expense items:					
Fee income from investment contracts	230	259	39	28	325
Amortisation of deferred income	4	-	3	-	-
Miscellaneous other income	-	-	-	2	-
Total other income and expenses	234	259	42	30	325

As well as underwriting performance and investment performance, the insurance subsidiaries' other material income includes fees from investment contracts and other income. The table above sets out the amounts for the year ended 31 December 2024 and 31 December 2023. For the same reasons as explained in A.3 in relation to the Part VII the amounts for 2024 are not comparable with 2023 at an entity level, since the SLAL investment contracts transferred to PLL in 2023. Overall levels of fee income have increased due to higher levels of AUA driven by improved economic conditions as detailed and illustrated further within section A.3 Investment Performance.

Material expenses include finance costs and other administration expenses. These items are reported within the expenses line in QRT IR.05.03.02 in the appendix.

A.4.1.3 Other income and expenses – PA(GI)
There was no Other non-operating income in 2024. The income of £15 million in 2023 reflected the net movement on balances related to redress exposures arising from creditor insurance policies underwritten by the company prior to 2006.

A.4.2 Leasing arrangements
The Group and the Life Companies are lessors in relation to their investment property portfolios. The related rental income has been reflected as income on investment properties in the analyses of investment income and expenses in section A.3.2.

As lessee, the Group primarily leases office buildings and other premises. These arrangements are not material to the financial position of the Group.

A.5 Any other information

A.5.1 Events after the reporting period
On 1 January 2025, the business of the Group's Irish subsidiary PLAE transferred into SLIDAC, another Irish subsidiary of the Group, under a business transfer approved by the High Court of Ireland.

On 4 February 2025, the Group redeemed its US $250 million Perpetual Contingent Convertible Tier 1 notes at their principal amount together with interest accrued to the repayment date.

On 12 March 2025, the Group received court approval for the Part VII transfer of the UK Trustee Investment Plan ('TIP') business within PLL to Aberdeen Group. The effective date for this transaction was 28 March 2025.

On 16 March 2025, the Board of PGH recommended a dividend of 27.35p per share for the year ended 31 December 2024 (2023: 26.65p). Payment of the final dividend is subject to shareholder approval at the AGM.

On 26 March 2025 an agreement was reached to appoint Wipro as a new strategic partner under a business process outsourcing arrangement. The deal includes the management of ALPHA, the existing ReAssure platform, and its associated capabilities. Wipro will deliver life and pension administration services to the Group for the ReAssure book of business and will assume management of ALPHA.

In this section

System of governance

System of governance

B.1 General Information on the system of governance

This section provides information on the system of governance in place for the Group, PLL, RAL, RLL, PLCL, SLAL and PA(GI).

On 27 October 2023, the Group completed the funds merger of SLAL into PLL. SLAL remains a regulated entity for a residual period and subject to the existing governance framework and is therefore included within the scope of the system of governance. SLPF and PLAL, also constituents of the funds merger, were deauthorised on 14 November 2024 and 9 December 2024 respectively.

Further details on the Group and other applicable administrative, management or supervisory bodies (the Boards of the respective entities noted above, their Board Committees where relevant and key functions within the Group) are provided in this section to include their main roles and responsibilities, and any material changes that have taken place during the reporting period.

B.1.1 System of governance

The Group's governance framework provides a clear and transparent structure for decision making within the organisation, starting at the Group Board through to the day-to-day management of the business by the Chief Executive Officer ('CEO'). The framework sets formalised responsibilities and matters reserved for boards which identify those items which must be considered for approval, where relevant (the 'Board Matters Reserved'). In addition, each company has the power to manage itself in accordance with applicable legislation (including Companies Act 2006 and Financial Services and Markets Act 2000), regulations (including the Listing, Prospectus and Disclosure Transparency Rules and the regulations of the FCA and the PRA), constitution (Memorandum and Articles of Association), and, where relevant, governance code (for example, the UK Corporate Governance Code or the Wates Principles). This also involves referral of certain matters to shareholders for approval.

Outside of the Board Matters Reserved, boards may delegate powers to board committees, where relevant, through defined terms of reference. For day-to-day business matters, the boards delegate powers to the CEO, who may then delegate responsibility onwards to members of the Executive Committee ('ExCo') and Senior Management Function Holders.

The Executive Management team is led by the CEO, who is supported by the ExCo. A summary of their roles and responsibilities are set out on the Group's website (https://www.thephoenixgroup.com/about-us/our-team/leadership/) and further details are also available in the PGH Annual Report and Accounts for the year ended 31 December 2024.

In accordance with Solvency II as modified by the PRA's 2024 reforms ('Solvency UK'), a system of prescribed key functions (Actuarial, Internal Audit, Risk and Compliance) operates within the Group, reporting to both management oversight committees and board committees where relevant. The Group Chief Risk Officer is a member of the ExCo. In addition, the Head of the Internal Audit function attends the Group ExCo and reports directly to the Board Audit Committees. There are also a number of other key functions in the Group including the trading business units to include Retirement Solutions and Pensions & Savings, Group Finance, Human Resources ('HR'), Corporate Affairs and Brand, Asset Management, Operations and General Counsel.

The Group's governance framework ensures that directors are able to discharge their statutory and regulatory responsibilities, and that the boards have appropriate oversight and supervision of the Group's business.

Aside from the deauthorisation of SLPF and PLAL, there were no material changes in the system of governance during 2024.

B.1.2 Board responsibilities

PGH is listed on the London Stock Exchange and is responsible to its shareholders for the overall governance and performance of the Group.

The PGH Board's role is to provide entrepreneurial leadership within a framework of prudent and effective controls which enable risk to be assessed and managed. It is responsible for establishing the strategy for the Group, ensuring that the necessary resources are in place for the Group to meet its objectives and review management performance against those objectives. The Board is also responsible for ensuring the strategy is aligned with not only the Group's purpose but also with the values and culture of the business, to include workforce policies and procedures. Further information on the Group's governance and how the Board has spent its time in 2024 can be found in the Corporate Governance section of the PGH Annual Report and Accounts for the year ended 31 December 2024.

The PGH Board Matters Reserved can be found on the Group's website (thephoenixgroup.com/media/j1ylqskv/pgh-plc-board-matters-reserved.pdf).

B.1 General Information on the system of governance continued

B.1.2 Board responsibilities continued

B.1.2.1 Composition and running of the PGH Board

The PGH Board comprises twelve Directors including a Non-Executive Chair, two Executive Directors; one Aberdeen Group plc-Nominated Director; one MS&AD-Nominated Director; and seven independent Non-Executive Directors ('NEDs'). During 2024, a number of changes were made to the composition of the PGH Board as follows:

- Rakesh Thakrar resigned from the PGH Board as an Executive Director on 8 September 2024;
- Nic Nicandrou joined the PGH Board as an Executive Director and Group Chief Financial Officer elect on 2 December 2024; and
- John Pollock retired from the PGH Board as a Non-Executive Director on 31 December 2024.

The existing nominated NED positions (for Aberdeen Group plc and MS&AD) are in addition to their current roles within those respective organisations.

Those performing roles which require approval pursuant to the Senior Managers and Certification Regime ('SMCR') have been duly approved.

B.1.2.2 PGH Board Committee Framework

The PGH Board has delegated specific responsibilities to five standing committees of the Board. The terms of reference of the committees can be found on the Group's website (https://www.thephoenixgroup.com/investors/governance/board-committees) and further details are also available in the Corporate Governance section of the PGH Annual Report and Accounts for the year ended 31 December 2024. The five committees which support the PGH Board are:

- Audit Committee;
- Risk Committee;
- Nomination Committee;
- Remuneration Committee; and
- Sustainability Committee

B.1.3 Board and committee structure – PLL, RAL, RLL, PLCL and SLAL

B.1.3.1 Roles and responsibilities of the PLL, RAL, RLL, PLCL and SLAL Boards

The PLL, RAL, RLL, PLCL and SLAL Boards are responsible and accountable for strategic matters (within the strategy set by the PGH Board), oversight of management and the performance of the PLL, RAL, RLL, PLCL and SLAL (together the 'Life Companies') businesses.

The role of the PLL, RAL, RLL, PLCL and SLAL Boards is to:

- Provide entrepreneurial leadership within a framework of prudent and effective controls which enable risks to be assessed and managed;
- set strategic aims, ensure that the necessary financial and human resources are in place for the Life Companies to meet their objectives, and review management performance; and
- uphold values and standards and ensure that obligations to its shareholders, policyholders and other stakeholders are understood and met.

B.1.3.2 Composition of the PLL, RAL, RLL, PLCL and SLAL Boards

The Boards of PLL, RAL, RLL, PLCL and SLAL (together, the 'Life Company Boards') are comprised of ten Board members – including the Chair; three Executive Directors and six independent Non-Executive Directors.

During the year, the following changes in members took place:

- Pete Mayes resigned from the Life Company Boards as an Executive Director on 31 March 2024;
- Arlene Cairns joined the Life Company Boards as an Executive Director on 1 April 2024;
- Amanda Bowe retired from the Life Company Boards as a Non-Executive Director on 30 April 2024;
- Karin Cook joined the Life Company Boards as a Non-Executive Director on 1 May 2024;
- Rakesh Thakrar and Brid Meaney resigned from the Life Company Boards as Executive Directors on 31 July 2024 and 19 August 2024 respectively; and
- Nick Poyntz-Wright retired from the Life Company Boards as a Non-Executive Director on 31 December 2024. Martin Muir was appointed in his place from 1 January 2025.

Those performing roles which require approval pursuant to the SMCR have been duly approved.

B.1 General Information on the system of governance continued

B.1.3 Board and committee structure – PLL, RAL, RLL, PLCL and SLAL continued

B.1.3.3 Life Company Board Committee Framework

The Life Company Boards have established and delegated specific responsibilities to the following standing committees of the Boards:

- Audit Committee;
- Investment Committee;
- Independent Governance Committee ('IGC')*;
- Model Governance Committee ('MGC')**;
- Nomination Committee;
- Risk Committee; and
- With-Profits Committee ('WPC')***.

The Independent Governance Committee and With-Profits Committee are each chaired by an independent committee member who is not a Director. Both of these committees have a number of independent members who are not Directors.

The other standing committees are chaired by NEDs. Further details regarding each of these committees are set out in section B.1.4.

* The IGC operates as a concurrent committee in accordance with Chapter 19.5 of the FCA's Code of Business Sourcebook for PLL, RAL, RLL, PLCL and SLAL.
**The MGC is a joint committee of the Boards of PLL, RAL, RLL, PLCL, SLAL and PA(GI).
***The WPC is a joint committee of the Boards of PLL, PLCL and RAL.

B.1.4 Committees of the Life Company Boards

Details of the role/duties of each standing committee of the Life Company Boards, where relevant, are outlined below:

Committee	Role, duties and responsibilities
Audit Committee	• Monitor the overall integrity of financial reporting. • Review the overall effectiveness of the relevant Company's internal control and risk management system and the Internal Audit function. • Oversee the relationship with the external auditors with respect to Life Company Board activity, to include discussion and agreement on the nature and scope of their audit. • Monitor and review the effectiveness of the Finance function and the integrity of financial reporting. • With respect to Life Company Board activity, consider and approve the remit of the Internal Audit function.
Investment Committee	• Establish and implement investment strategy and to regularly review investment and Asset Liability Management ('ALM') strategy whilst ensuring customers are treated fairly. • Initiate or review proposals for material changes in investment direction, and to approve such changes. • Review relative investment performance and oversee the governance of the relationships between the relevant Company and all investment managers, including oversight and review of fees, fee structures and Service Level Agreements. • Oversight and review the appropriateness of investment mandates. • Liaise with management committees which have responsibility for the shareholder impact of investment matters and also with the With-Profits Committee which has responsibility for the policyholder impact of investment matters.
Independent Governance Committee	• Act in the interest of members of the contract-based workplace pension schemes operated by the relevant Company and assess the ongoing value for money delivered by them.
Model Governance Committee (refer to B.1.6)	• Monitor the strategic direction and overall governance of the Internal Model used by the relevant Company. • Provide assurance to the relevant Board on the ongoing appropriateness, performance and effectiveness of the Internal Model. • Oversight of the results of the Standard Formula appropriateness assessment for the ReAssure Group plc and Phoenix Life CA capital model.
Nomination Committee	• Lead the process for appointments and ensure that the Board retains an appropriate balance of skills, knowledge, experience and diversity to support the strategic objectives of the relevant Company. • Ensure there is a formal, rigorous and transparent approach to the appointment of Directors including maintaining an effective framework for succession planning. • Approve proposals for the appointment or removal of Directors to/from the Board. • Regularly review the structure, size and composition of the Board and make recommendations with regard to changes that are deemed necessary. • Identify and nominate candidates to fill Board vacancies as and when they arise and give consideration to succession planning. • Review annually the time required from NEDs and recommend the re-appointment to the Board of any NED at the end of their specified term of office.

B.1 General Information on the system of governance continued
B.1.4 Committees of the Life Company Boards continued

Committee	Role, duties and responsibilities
Risk Committee	• Advise the relevant Board on all risk matters including risk appetite and tolerance in setting the future strategy. • Maintain the risk management framework ('RMF'), reviewing the risk appetite framework and limits. • Approve the overall risk management strategy and principal risk policies including monitoring compliance. • Oversight of the design and execution of the stress and scenario testing framework, and also ensuring that risks to the business plan are adequately identified and assessed through stress testing and scenario analysis.
With-Profits Committee	• Support the relevant Board in discharging its governance responsibilities in relation to compliance with the Principles and Practices of Financial Management ('PPFM'). • Assess, report on, and provide clear advice and, where appropriate, recommendations to the Board on the way in which each with-profits fund is managed and whether this is properly reflected in the PPFM and on any other issue with which the Board or Committee considers that with-profits policyholders might reasonably expect the Committee to be involved. • Provide independent judgement in the assessment of PPFM compliance and how any competing or conflicting rights and interests of policyholders and, if applicable, shareholders have been addressed. • Consider all major transactions involving the Company (for example Part VII transfers, reinsurances, outsourcing) to the extent to which they impact upon with-profits policyholders. • Consider at the request of the Board all proposals for the exercise of discretion in respect of non-profit policies and the conduct and overall approach to good customer outcomes.

B.1.5 Board and committee structure – PA(GI)

The PA(GI) Board comprises of three Executive Directors. The PA(GI) Board has one formal committee, the MGC, which is also a committee of the Boards of PLL, RAL, RLL, PLCL and SLAL. Further details are included in section B.1.6.

Rakesh Thakrar resigned from the PA(GI) Board on 6 September 2024.

B.1.6 Model Governance Committee ('MGC')

B.1.6.1 Composition and running of the MGC

A committee of the Life Companies and PA(GI) Boards, the MGC also supports the PGH Board in discharging its Internal Model related responsibilities. MGC membership comprises a Non-Executive Chair and four other independent Non-Executive Directors from the PGH and Life Company Boards.

The MGC meets on at least four occasions a year at appropriate times in the reporting cycle or more frequently as circumstances require, with summary reports on proceedings being shared with the PGH and Life Company Boards accordingly. This ensures the Boards receive information to ensure the Internal Model is operating properly on a continuous basis and highlights any escalations or recommendations that the MGC may deem appropriate.

B.1.6.2 Assignment of responsibilities

The MGC has delegated the tasks required under the regulations to the Actuarial, Finance and Risk departments in accordance with their current responsibilities under a 'Three Lines of Defence' model (further details are included in the Risk Management section B.3.2).

In their role as first line of defence, the Finance and Actuarial departments have delegated responsibility for:

- design, implementation, operation and use of the Internal Model set by the Group Risk function;
- operation of the validation framework in line with the requirements set by the Group Risk function;
- documenting the Internal Model process and any subsequent changes; and
- informing the Board about the performance of the Internal Model, its limitations, areas needing improvement, and the status of activity to address previously identified weaknesses.

In its role as second line of defence, the Risk function has delegated responsibility for governance and oversight of the Internal Model, including but not limited to:

- sponsorship of the model governance policy;
- ownership of the Internal Model validation framework;
- independent validation of the design, implementation and operation of the Internal Model, including compliance with the model governance policy; and
- in relation to independent validation activity performed and summary reports produced, informing the administrative or management body about the performance of the Internal Model, suggesting areas needing improvement, and providing a review of the Finance and Actuarial departments' reporting in relation to weaknesses and limitations of the Internal Model, and the activity to improve previously identified weaknesses.

B.1 General Information on the system of governance continued

B.1.7 Key functions

Solvency UK defines 'function' within a system of governance as an internal capacity to undertake practical tasks and to operate a system of governance which includes the Risk Management function, the Compliance function, the Internal Audit function and the Actuarial function.

The functions which operate within the Group are as follows:

- Compliance function (see section B.4 for further details);
- Risk Management function (see section B.3 for further details);
- Internal Audit function (see section B.5 for further details); and
- Actuarial function (see section B.6 for further details).

Their duties and responsibilities are allocated, segregated and coordinated in line with Phoenix Group policies. This ensures that all the important duties are covered and that unnecessary overlaps are avoided.

Further details on how the key functions have the necessary authority, resources and operational independence to carry out their tasks together with how those functions report to and advise the Boards of the Group are provided in the sections which cover each function (see sections B.3, B.4, B.5 and B.6).

B.1.8 Remuneration Policy

This section details the remuneration policy in place for the Group for the year ended 31 December 2024.

The Group has one consistent remuneration policy for all levels of employees which is made available to all staff. Therefore, the same remuneration policy principles guide reward decisions for all Group employees, including Executive Directors, although remuneration packages differ to take into account appropriate factors for different areas of the business and, in exceptional circumstances, on recruitment.

The Group-wide remuneration policy is overseen by the Remuneration Committee of PGH ('RemCo'). Further details on this Committee can be found in the Remuneration Report in the PGH Annual Report and Accounts for the year ended 31 December 2024 and on the governance pages of the PGH website (https://www.thephoenixgroup.com/about-us/governance).

The policy focuses on ensuring sound and effective risk management and supports management in the operation of the business through the identification of minimum standards and key controls.

The key principles of the remuneration policy which applies across the Group are set out below.

a) Attract, retain and motivate quality staff – management keep remuneration practices under review to ensure that these support promotion of the long-term interests of the Group and its stakeholders and adequately and fairly reward staff.
b) Remuneration is positioned appropriately against external benchmarks – remuneration is benchmarked against independent third party data at appropriate intervals.
c) Remuneration is aligned to the long-term success of the Group – performance-related components of remuneration are aligned to measures which reflect achievement of the Group's long-term success and strategy.
d) Remuneration takes account of the risk profile of the Group – performance related components of remuneration take into account the risk profile of the Group, with all assessments of performance subject to Committee oversight which include the consideration of risk-related factors.
e) Proportion of variable pay is appropriate and balanced and has due regard to any impact of risk – the ratio of fixed to variable remuneration will differ depending on the specific incentive schemes in operation across the business. However, the Group seeks to ensure that an appropriate balance between fixed and variable remuneration is maintained for all employees, with the fixed proportion being sufficient to allow variable pay to operate on a fully-flexible basis, including the possibility of no payments of variable remuneration in a year. For SMCR Identified Staff (further details are included in section B.2) there is also an appropriate balance between annual and long-term incentives, with the deferral of annual incentives into shares and all incentives including provision for the application of malus and clawback where appropriate.
f) Independence and strong governance in decision-making processes – as the policy is overseen by RemCo this ensures an appropriate level of independent challenge given RemCo exclusively comprises independent NEDs. Certain roles within control functions (Risk, Compliance, Internal Audit and Actuarial) are also subject to different variable pay arrangements which exclude any linkage to financial performance for annual incentives.

B.1.8.1 Variable remuneration plans

Annual Incentive Plan

All permanent members of staff and fixed term contractors participate in an Annual Incentive Plan ('AIP'), providing they have joined on or before 31 October of the plan year.

B.1 General Information on the system of governance continued

B.1.8 Remuneration Policy continued

B.1.8.1 Variable remuneration plans continued

Annual Incentive Plan continued

For the majority of staff this is subject to a mixture of Corporate (financial and strategic) and Personal (individual objectives) performance measures. This represents a balanced scorecard which includes customer metrics in addition to financial and personal measures. Personal performance is also assessed not only against the What (objectives) but also against our values and how objectives are delivered. The same AIP framework applies to all employees, with the exception of (i) SMCR identified staff in a control function whose AIP is based solely on personal performance, and (ii) colleagues in Asset Management who participate in a fully discretionary incentive plan.

Under the main Group AIP, the metrics for certain groups of employees within our Business Units have a proportion of corporate metrics linked to their operating businesses; all other staff (with the exception of the categories referred to above) are subject to the Group corporate metrics detailed below.

The quantum of and the balance between Corporate and Personal performance measures varies between different levels of staff. The majority of staff below ExCo+1 level has an equal split between corporate and personal elements, although AIP for SMCR Identified Staff in Control functions (Audit, Risk, Compliance and Actuarial) is based on personal performance only so that their remuneration is not subject to the performance of any part of the business of which they have oversight. The Corporate performance measures apply on a Group-wide basis to produce a 'corporate factor' in calculating AIP outcomes.

For 2024, the performance measures for the corporate element of the AIP were as follows:

Performance metric	Weighting of corporate measure
Corporate measures for AIP for 2024	
Total Cash Generation	20%
New Business Contribution	20%
Cost Savings	20%
Group Net Flows	15%
Customer experience	25%

The bonus pool for the Asset management discretionary bonus plan is determined through the assessment of performance against Corporate metrics and pre-determined functional targets which are set at the start of the calendar year. Once the bonus pool is determined it is distributed to teams based on their contribution to the targets, from where it is distributed to individuals on a fully discretionary basis, using relevant data points.

In ensuring that all regulatory deferrals of 40% of variable pay are met, one-third of AIP outcomes for all 'Director' level leaders subject to the regulatory requirements was deferred for a period of three years under the Deferred Bonus Share Scheme; for ExCo this deferral was 50%. This population of 'Director' leaders are also in receipt of a Long term Incentive Plan.

AIP outcomes are also subject to malus (cancellation / reduction of deferred variable pay awards or unpaid bonuses) and clawback (actual recovery of amounts paid or vested awards). Additionally, AIP outcomes are subject to downwards risk related adjustments in line with the Group's risk management profile.

Long term Incentive Plan

The Group operates a Long term Incentive Plan ('LTIP') for 'Director' leaders, targeted at Exco+1 level.

The Remuneration Committee sets performance measures for each LTIP grant. Performance measures include an appropriate mix of measures to support the Company's culture and values, and create value for stakeholders. Performance measures are subject to additional 'underpin' requirements which permit RemCo to reduce or prevent vesting in appropriate circumstances.

B.1 General Information on the system of governance continued

B.1.8 Remuneration Policy continued

B.1.8.1 Variable remuneration plans continued

Long term Incentive Plan continued

The weightings of the LTIP performance measures for 2024 are summarised below. Each performance measure is assessed over the period of three financial years from 2024 to 2026.

Metric	Weighting
Net Operating Cash Receipts	20%
Return on Capital	20%
Cumulative Net Flows	20%
Diversity & Inclusion – Senior leadership Black, Asian and Ethnic Minority Representation	10%
Decarbonisation – Investment Portfolio	10%
Relative Total Shareholder Return ('TSR')	20%
Total	**100%**

All 2024 LTIP awards are subject to a further underpin measure relating to risk management within the Group. This 'underpin' also includes consideration of customer satisfaction and, in exceptional cases, personal performance.

The Relative Total Shareholder Return ('TSR') measure is calculated against the constituents of the FTSE 350 (excluding Investment Trusts) with vesting commencing at median (25% of this part of the award) and full vesting at upper quartile levels, subject to an underpin regarding underlying financial performance.

B.1.8.2 Description of pension arrangements

All members of staff are invited to participate in the Group Personal Pension plan or other defined contribution pension arrangements that are open at that time. Where an individual is impacted by annual or lifetime limits on contribution levels to qualifying pension plans, the balance could be taken as a cash supplement (reduced for the impact of employers' National Insurance Contributions).

The Group does not operate any discretionary pension benefits. Death in Service benefits are separate to the pension scheme and provided to all staff with the same level of benefits.

B.1.8.3 Material transactions with shareholders and members of the Boards

Other than as provided below, there were no transactions with members of the PGH Board and insurance subsidiary Boards other than remuneration provided under the principles set out above.

Details of the actual remuneration of the members of the PGH Board are set out in the Directors' remuneration report in the PGH Annual Report and Accounts for the year ended 31 December 2024.

Transactions with key management personnel

Details of investments made by the key management personnel in Pensions and Savings products sold by the Group are provided in Note I4 of the PGH Annual Report and Accounts for the year ended 31 December 2024.

Transactions with shareholders

During the year, the Group's main insurance subsidiaries paid either dividends or paid cash remittances in the form of a loan to their parent company.

B.2 Fit and proper requirements

This section outlines the Senior Managers and Certification Regime ('SMCR'). It provides information on the specific requirements concerning 'fitness and propriety' which considers the skills, knowledge and expertise applicable to the persons who effectively run the undertaking or hold other key functions.

B2.1 Senior Managers and Certification Regime ('SMCR') – Compliance

The aim of the SMCR is to reduce harm to consumers and strengthen market integrity by making individuals more accountable for their assigned responsibilities, conduct and competence.

The SMCR aims to:

- encourage a culture of employees at all levels taking personal responsibility for their actions; and
- ensure companies and employees clearly understand and can demonstrate where responsibility lies. The SMCR contains three separate elements:
  - the Senior Managers Regime;
  - the Certification Regime; and
  - Conduct Rules.

Senior managers who perform key roles (referred to as 'SMF' roles) will need PRA and FCA approval before starting their roles. The regime makes these individuals accountable for the sound and prudent management of their firm and requires them to behave with appropriate integrity, honesty and skill.

The certification regime has a broader application and impacts a greater number of individuals. The firm and its senior managers are responsible for the design, management and oversight of the Certification Regime.

All other staff, with the exception of ancillary staff, must comply with the FCA Conduct Rules, which set out the minimum standards of individual behaviour in financial services:

1. You must act with integrity.
2. You must act with due skill, care and diligence.
3. You must be open and cooperative with the FCA, the PRA and other regulators.
4. You must pay due regard to the interests of customers and treat them fairly.
5. You must observe proper standards of market conduct.

All conduct rules staff must act to deliver good outcomes to retail customers.

Senior Managers also have the following Conduct Rules that they must adhere to:

1. You must take reasonable steps to ensure that the business of the firm for which you are responsible is controlled effectively.
2. You must take reasonable steps to ensure that the business of the firm for which you are responsible complies with the relevant. requirements and standards of the regulatory system.
3. You must take reasonable steps to ensure that any delegation of your responsibilities is to an appropriate person and that you oversee the discharge of the delegated responsibility effectively.*
4. You must disclose appropriately any information of which the FCA or PRA would reasonably expect notice.

*Does not apply to non-approved Non-Executive Directors ('NED's).

B.2.2 Process For Assessing Fitness and Propriety

The Group has a number of policies and processes established which apply to all regulated entities and provide appropriate guidance and governance to ensure that those effectively running the Group have and maintain appropriate fit and proper status during their appointment. These policies and processes include the requirements to:

- identify and maintain accurate records of all Approved Persons, which includes Senior Management Function holders and Certified Individuals, sufficient to meet the requirements of the FCA and PRA;
- ensure new appointments are appropriately authorised, including skills analysis, competence assessment and relevant development plan documentation and monitoring;
- maintain a SMCR Framework to provide direction and guidance to the Group's Approved Persons ensuring they understand and can evidence how they meet their regulatory requirements;
- complete periodic assessments of Approved Persons to determine their ongoing competence, including consideration of performance development rating, Disclosure and Barring Service ('DBS') check, periodic financial check and interim self-certification;
- maintain an effective performance management framework, ensuring that the performance of employees is effectively managed;
- motivate and retain the right employees through appropriate reward structures;
- deliver an appropriate organisational culture through embedding appropriate values and behaviours;
- identify, plan and implement effective learning and development activities; and
- provide guidance, information and advice regarding the requirements, expectations and obligations of an Approved Person role.

Adherence to these standards is monitored on a quarterly basis and recorded within the Group centralised risk management system.

B.3 Risk management system, including the own risk and solvency assessment

This section provides a description of the Group's Risk Management Framework ('RMF') including information on how the risk management functions are implemented and integrated into the organisational structure and decision-making processes of the Group.

B.3.1 Risk Management Function

The Group Risk function is led by the Phoenix Group Chief Risk Officer ('CRO'). Risk Directors have delegations from the Group CRO discharged through a reasonable steps framework and 'double-hat' as Risk Partners to the Business Units and Functions;

- Group Financial Risk – Risk partner for Finance and Retirement Solutions
- Group Non-Financial Risk – Risk partner for Operations.
- Group Compliance – Risk partner for Pensions and Savings.
- Strategy and Transformation – Manages relationship with Regulators.
- Asset Management Risk – Risk Partner for Asset Management.

The Group's other functions are supported with oversight from across Group Risk. SLIDAC and PLAE operate as separate local risk functions.

B.3.2 Risk Management Framework

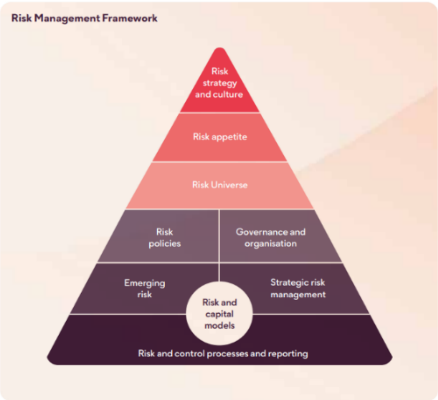
The Group has a system of governance that embeds clear ownership of risk and has a Risk Management Framework ('RMF') that supports the identification, measurement, assessment, management and reporting of risks against approved risk appetites. We have an established 'three lines of defence' model. Management (Line 1) is responsible for risk ownership and maintaining effective processes, procedures and controls; the Risk Function (Line 2) provides independent oversight and challenge; and Internal Audit (Line 3) provides objective assurance.

Periodic review of the RMF is an integral part of the system of governance in the Group, and in 2024, we adopted ways to further promote individual accountability. In 2025, we will look for further opportunities to streamline and augment the framework including technology solutions that might help further simplify its operation across the Group. Any changes we choose to make will be considerate of the 2024 Corporate Governance Code in helping the board to assess the effectiveness of the RMF.

B.3.2.1 Governance and Culture

The Group operates a three lines of defence model that is supported by the RMF. Risk accountability and ownership are embedded in the First Line, with First Line teams established to support the business by providing substantiated evidence that controls are fit for purpose.

- **First Line: Management:** Own and manage risk at source, with end-to-end risk control aligned to Senior Management Function Holders (within overall RMF);
- **Second Line: Risk Function:** Define enterprise-wide frameworks, policies and standards, providing independent oversight and challenge to the business on risk management, and providing oversight of key risks using a proportionate risk-based approach; and
- **Third Line: Internal Audit:** Independently assure risk management across the organisation.



Overall responsibility for approving the RMF rests with the Board, with maintenance and review of the effective operation of the RMF delegated to the Board Risk Committee. This delegation also includes approval of the overall risk management strategy and the review and recommendation to the Board of the relevant risk appetite statements, risk policies, risk profile and any relevant emerging risks.

The RMF supports delivery of the Group's strategy against the Board approved risk appetite. This is supported by The Group's guiding principles which set out what the Group expects of leaders and colleagues to build a culture of trust, collaboration and constructive challenge. Measures are in place during each Framework refresh to allow for continuous improvement in risk management throughout the business by seeking input from colleagues and industry bodies.

B.3.2.2 Oversight and challenge

Risk governance comprises the Boards, organisational governance, delegation of authority, a well-defined three lines of defence model with clear delineation between roles and responsibilities, and the RMF.

The Group Risk function supports and enables the Group to grow in a prudent and sustainable way through oversight and constructive challenge. This is delivered through strong capability in the Risk Leadership team who specialise in financial risk, non-financial risk, conduct risk and compliance and are proactive in material initiatives for the Group.

B.3.2.3 Risk Appetite Framework

The Group's Risk Appetite Framework ('RAF') outlines the risks that the Group is willing to take to meet our strategic objectives and is a key tool in balancing the interests of different stakeholders.

The RAF operates using a three tiers approach to cascade the Board's risk appetites through to lower-level risk policies. It is reviewed on an annual basis, and a set of Board-approved risk appetite statements are adopted by the Group for the following dimensions of risk: Capital, Liquidity, Dividend, Shareholder Value, Control, Conduct and Sustainability.

B.3 Risk management system, including the own risk and solvency assessment continued

B.3.2 Risk Management Framework continued

B.3.2.3 Risk Appetite Framework continued

Risk appetites are supported by quantitative and qualitative tolerances, triggers and limits; and the Group has systems, processes and controls designed to manage risk appropriately.

B.3.2.4 Risk Universe

A key element of effective risk management is ensuring the business understands the risks it faces. The Group's Risk Universe summarises the risks to which the Group is exposed. The Risk Universe allows the Group to deploy a common risk taxonomy and language, allowing for meaningful comparison to be made across the business. The risk profile of each is an assessment of the impact and likelihood of those risks crystallising and the Group failing to achieve its strategic objectives. Changes in the risk profile are influenced by the commercial, economic and non-economic environment and are identified, measured, managed, monitored and reported through the Group's RMF processes.

B.3.2.5 Risk Policy Framework

The Risk Policy Framework ('RPF') supports the delivery of the Group's purpose and strategy by establishing the operating principles and expectations for managing the key risks to the Group's business day-to-day. Each of the risk policies defines:

- the individual risks the policy is intended to manage;
- the degree of risk the Group is willing to accept, which is set out in the policy risk appetite statements; and
- the Control Objectives that determine the Key Controls required in order to manage each risk to an acceptable level.

Risk policies are mapped to Risk Universe categories to ensure complete coverage of all material risks. The RPF further supports the Group in operating within the boundaries of its risk appetite statements by seeking to limit volatility under a range of Board-approved adverse scenarios.

The Group's Conduct Strategy and Climate Change Risk Management Framework overarch all risk policies to provide a holistic view of conduct and sustainability risks. This provides a consistent and comprehensive approach in the application of the RMF to manage these risks across the Group.

B.3.2.6 Risk Management Cycle

Identification, measurement, assessment, management, monitoring and reporting of risks, including learning lessons from incidents, is undertaken across the three lines of defence, and reported through business and is supported by a system of governance and risk management tools.

The Group uses a partial Internal Model for calculation of its solvency capital requirement. A continuous process is followed for identification and measurement of risk types and the corresponding resilience of the Group's capital position. The Group continually strives to enhance its internal risk and capital models and the related modelling must be sufficiently accurate to enable appropriate ranking and management of risks. It is a requirement that all material risks, and the interactions between them, are in scope of the Group's risk and capital models.

Under Solvency UK, the development and production of any Internal Model output contributing to regulatory capital requirements must meet the Calibration Standard and the Internal Model Requirements, subject to any variation in permissions granted by the PRA. This is supported by a Model Governance policy, which sets out the standards that must be satisfied to demonstrate meeting Solvency UK requirements. The Internal Model output is used within the Group's Own Risk and Solvency Assessment ('ORSA') process to provide insight into risks associated with the Group's objectives.

The Group's Stress and Scenario testing programme uses the Internal Model to assess the capital impact of a range of plausible and extreme stresses.

B.3.3 Own Risk and Solvency Assessment Process ('ORSA')

The ORSA plays an important role in supporting strategic decision-making and strategy development at the Group's Boards and management committees. It provides:

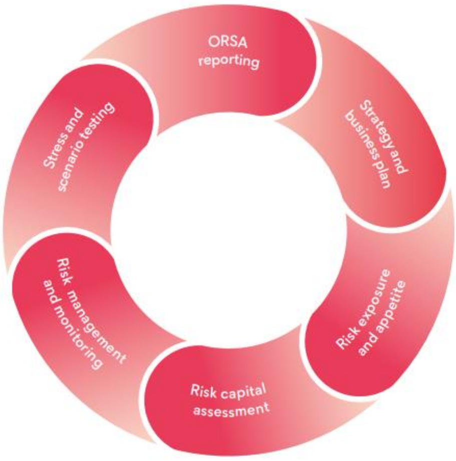
- a linkage between strategy, risk, capital and stress testing, as well as the effectiveness of management actions required to meet strategic objectives;
- processes to identify, assess, control and monitor risks that the Group faces;
- an understanding of current and potential risks to the business; including financial and non-financial risks under base and stressed scenarios;
- agreed appetite to accept these risks and how the Group manages them; and
- a forward looking, internal assessment of the Group's solvency position in respect of its risk profile and how it is likely to change given business plans and strategy, or due to changes in the external environment.

B.3 Risk management system, including the own risk and solvency assessment continued

B.3.3 Own Risk and Solvency Assessment Process ('ORSA') continued

ORSA processes are run regularly throughout the year and operate within the Group's ORSA cycle outlined below. The Group's ORSA cycle brings together inter-linked risk management, capital and strategic processes.

- **Strategy and Business Plan** – Delivery of the strategy and business plan exposes the Group to risk.
- **Risk exposure and appetite** – The Board expresses appetite to risk it is willing to accept in pursuit of strategic and business plan objectives.
- **Risk Capital Assessment** – Capital requirements reflect the risk profile of the business.
- **Risk Management and Monitoring** – Risk policies manage the risks in line with appetite. Risk reporting provides ongoing oversight of risk exposures.
- **Stress and Scenario Testing** – A Group Stress and Scenario Testing programme provides insight into principal risks across a continuum of plausible stress environments.
- **ORSA reporting (including ORSA report)** – Provides a forward-looking assessment of the Group's risk and capital position in light of the outputs from key ORSA processes. The ORSA Report aims to inform strategic decision making, stress testing and strategy and business planning processes.



The Group's ORSA Report is reviewed and approved at least annually by the Boards of the Group and the insurance entities in scope of the Group's ORSA Policy. The Group has a waiver from the PRA to produce a single Group-wide ORSA report. SLIDAC and PLAE produce a combined, standalone ORSA report for the Central Bank of Ireland, and this is incorporated into the Group ORSA report so that the Boards have visibility of the whole of the Group's risk profile.

B.3.4 Risk Management and Internal Model Governance

The Group has PRA permission to use an Internal Model to calculate the solo SCR of Phoenix Life. This means that the capital the Group holds reflects the risks to which PLL is exposed and takes account of the benefit from the risk management tools in place.

The Group uses a Partial Internal Model to calculate the Group SCR, aggregating outputs from the Internal Model, and the Standard Formula calculations for SLIDAC, the Phoenix Life CA entities, ReAssure entities and Bermudan entities. An allowance is made for diversification between Internal Model entities and for diversification between Standard Formula entities. SLIDAC was granted CBI approval to use its local Partial Internal Model for calculation of its solo SCR in 2022. An application to extend the Group's Partial Internal Model to include the risks covered by the SLIDAC solo model is in train.

The governance in place for the Internal Model ensures that it remains up to date and appropriate for use, for example via regular assessments of the risk environment as reported in the Group's ORSA processes. The Model Governance Committee ('MGC') has specific roles and responsibilities in relation to the governance of the Internal Model on an ongoing basis. The MGC monitors the strategic direction and overall governance of the Internal Model and provides assurance to the relevant Board of its ongoing appropriateness, performance and effectiveness. Full details of the MGC's responsibilities are set out in its terms of reference.

The validation process which is used to monitor the performance and ongoing appropriateness of the Internal Model is carried out by the Group Financial Risk team. The output of this activity is presented to the MGC through quarterly validation reports. The process is as follows:

- All proposed Internal Model methodology changes are reviewed extensively within the First Line before undergoing a robust second line independent validation. The Second Line review conclusions are presented to the MGC alongside the First Line proposal for approval.
- All methodology underlying the Internal Model is subject to a comprehensive periodic review within the First Line. The Second Line independently review the appropriateness of the conclusions following this process, as well as initiate their own periodic reviews. External expertise may be sought to add new insight into the validation process.
- The Solvency UK Pillar 1 balance sheet results are subject to second line independent challenge. In particular, the appropriateness of the SCR is considered from both a top-down and bottom-up perspective in order to provide an assessment of whether the SCR is materially reasonable, the Internal Model as a whole appropriately reflects the risk profile of the business, and the Internal Model is expected to operate effectively going forward.
- The conclusions of this validation actively support an annual SMF attestation that the Internal Model satisfies the Solvency Capital Requirements General provisions 3.3 to 3.4 and internal model requirements of the PRA Rulebook.

B.4 Internal control system

B.4.1 Internal Control Framework

The Group's Internal Control Framework places reliance on the effective operation of a 'Three Lines of Defence' model, which is outlined in section B.3.2.

The key components of the Internal Control Framework which enable all Three Lines of Defence to discharge their responsibilities are:

- Control Objectives are defined for each risk to ensure that there is a clear articulation of the aim or purpose of a control (or suite of controls) in managing the risk within its defined risk appetite;
- Key Controls are then identified that meet the control objectives;
- The assessment of the operating effectiveness of each Key Control is performed quarterly by designated control owners in accordance with the Risk and Control Self-Assessment ('RCSA') process;
- Control Testing is used to assess whether Key Controls are operating effectively in line with the defined risk appetite. Control Testing operates alongside other control assessment and assurance activities to identify any weaknesses, or opportunities for improvement;
- Proportionate independent assessment is carried out by the Third Line to provide assurance that risks have been identified and appropriately reported and opine as to whether they are adequately controlled; and
- There is regular Risk and Control Management Information reporting on inherent and residual risk profiles and Key Control performance to provide assurance to stakeholders confirming that controls are operating as expected or highlighting exceptions as required. This in turn enables the data to be incorporated and referenced in risk reporting to appropriate management committees and Boards:

The Board Audit Committee and the Board Risk Committee regularly review the effectiveness of the Group's internal controls. In 2024, the introduction of control testing provided additional insight on the effectiveness of the control environment.

Each of these elements is an integral part of the Group's RMF (see section B.3.2).

B.4.2 Compliance Function

The Compliance Oversight requirements of the Compliance function are delivered by the Group Compliance pillar within the Group Risk function. This is an independent function in the Second Line and provides assurance to the Boards that the Group is operating within a compliant framework. Whilst compliance with regulation remains the responsibility of senior management assigned to specific roles, the Group Compliance function ensures that the appropriate mechanisms exist to support management in discharging their responsibilities to this end.

The Group Compliance function has the following key responsibilities:

- To provide assurance through its annual Compliance Assurance plan and set, track and report on improvement actions arising from its assurance reviews;
- To lead the process to identify and assess regulatory developments through horizon scanning activity, providing advice, guidance and support to business areas and projects, and to support any proposition development activity;
- To support engagement with the regulators, oversee regulatory reporting and provide reporting on the effectiveness of conduct and compliance risk management across the Group;
- Maintenance of an effective and compliant Senior Management and Certification Regime ('SMCR') Framework, including providing support tools and inputs for SMFs and projects relating to SMCR;
- Oversight of the Group's outsource service providers ('OSP') and strategic partners and supports the delivery of Second Line services in relation to the Group's outsourced arrangements and the operation of its strategic partnerships; and
- Provision of advice, guidance and oversight in respect of asset management activities, equity release and lifetime mortgages and diversification of funding in other lending products.

Group Compliance also provides advice and guidance to the Group in relation to Financial Crime. It supports the Group MLRO in overseeing the application of anti-money laundering and wider financial crime prevention measures in line with financial crime regulation and legislation. There is a separate compliance team and SMF16 for SunLife Limited that provides regulatory guidance, advice and challenge in respect of the regulated activities of SunLife Limited and those of its strategic partners. Oversight of Financial Promotions is operated on a risk-assessed basis.

B.5 Internal audit function

B.5.1 Roles and Responsibilities of Internal Audit

The primary role of the Phoenix Group Internal Audit ('PGIA') function is to support the Board and Executive Management to protect the assets, reputation and sustainability of the organisation. This is achieved by assessing whether all significant risks are identified and appropriately reported, assessing whether they are adequately controlled and challenging Executive Management to improve the effectiveness of governance, risk management and internal controls. Furthermore, PGIA attend, and issue reports to the Group and Life Company BACs (see section B.1.4) and any other governing bodies and Board committees as appropriate. PGIA's reporting to the Group BAC includes significant control weaknesses, root-cause and relevant 'lessons learned' analysis, themes and a view on the adequacy of management's remediation plans. Bi-annually, PGIA provides an opinion on the strength of the design and operation of the Risk Management/Internal Control Framework and adherence to the risk appetite framework across the business. In addition, PGIA contribute to Solvency II Pillar 3 Reporting.

PGIA operates in accordance with its Internal Audit Charter, which can be found on the governance pages of the Group's website (**GIA Charter 2024 (thephoenixgroup.com))** and in compliance with the Chartered Institute of Internal Auditors ('IIA') Code of Professional Conduct (including the Global IIA's Code of Ethics), the International Professional Practices Framework and International Standards from the Global Institute of Internal Auditors and the Guidance on Effective Internal Audit in the UK Financial Services Sector and Internal Audit guidance provided by the European Confederation of Institutes of Internal Audit ('ECIIA').

PGIA's scope is unrestricted and there are no aspects of the organisation which PGIA is prohibited from auditing. Key business risk areas and industry themes, identified both internally and externally, are prioritised to receive more extensive coverage, regular ongoing review and opinion formation.

The function has a number of responsibilities, including the following:

- Production of Internal Audit plans: PGIA plans, and material changes to plans, are developed using a risk-based approach and approved by the Group Board Audit Committee ('BAC') (further details on the Committee are included in Section B.1.8). PGIA forms an independent view of whether the key risks to the organisation have been identified, including emerging and systemic risks, and assesses how effectively these risks are being managed. PGIA's independent view is informed, but not determined, by the views of Management and the Risk function. In deciding the audit plan, PGIA focuses on areas where it considers risk to be higher and will not necessarily cover all risk universe scope areas every year.
- Oversight of Outsourced Internal Audit functions: For material Outsourced Service Providers ('OSPs'), PGIA operates a risk-based oversight model for the more material arrangements, where a contractual audit service is received, to ensure the activities of the outsourced Internal Audit functions meet PGIA standards (which are aligned to Chartered Institute of Internal Audit standards).

B.5.2 Independence and Objectivity of the Internal Audit Function

In order to maintain its independence and objectivity from the activities it reviews, PGIA ensures the following:

- The Group Head of Internal Audit ('GHIA') reports to the Group BAC (through the Chair) and administratively to the Chief Executive Officer ('CEO'). The GHIA is supported by a Head of Internal Audit for SLIDAC ('SLIHIA'), whose primary focus is Phoenix's European business.
- In March 2024, the GHIA's tenure reached seven years. The Group BAC confirmed they were satisfied with the GHIA's ongoing independence and objectivity at their March meeting, and this exercise will continue annually as required. The Group BAC Chair is the final approval point for recommendations made by the CEO regarding the performance objectives, appraisal, appointment or removal of the GHIA, as well as the overall compensation package of the GHIA which is further ratified by the Remuneration Committee ('RemCo').
- The remuneration of the GHIA, the SLIHIA and audit staff is structured in a manner such that it avoids conflicts of interest, does not impair independence and objectivity and is not directly or exclusively linked to the short term performance of the organisation.
- The GHIA ensures that PGIA remains free from anything that impacts its ability to carry out its responsibilities in an unbiased manner.
- PGIA has the right to attend and observe all or part of Executive Committee meetings and any other key management decision-making fora. It also has the right to sufficient and timely access to all Board and Executive management information and a right of access to all of the organisation's records, necessary to discharge its responsibilities.
- Effective Risk Management, Compliance and other assurance functions are an essential part of the Group's corporate governance structure. PGIA is independent of these functions and is neither responsible for, nor part of them. In evaluating the effectiveness of internal controls and risk management processes, in no circumstances does PGIA rely exclusively on the work of these other assurance providers.
- It is acknowledged that PGIA may also be asked, by the Board or Executive Management, to provide consultancy, advisory and/or undertake investigative assignments on a range of focused or holistic matters such as ethics, risk culture or tone within the organisation. In these circumstances, the results of any such activities would be shared with the Audit and/or Risk Committees and specifically with the Chair of the Group BAC, regardless of the origin of such request.

PGIA co-operates with the Group's nominated External Auditors, generally through the sharing of planning information and audit results.

The GHIA, and other senior managers within PGIA, have an open, constructive and co-operative relationship with regulators, which supports the sharing of relevant information.

B.6 Actuarial function

The Group's Actuarial function predominantly resides within the Group Capital and Treasury Management ('GCTM') team within the Finance function. GCTM is led by the Chief Capital Officer ('CCO') who reports to the Group Chief Financial Officer ('CFO'). GCTM provides a range of actuarial services and advice to the management teams and boards of the Group and insurance subsidiaries. Some specific actuarial services such as the calculation of Technical Provisions and Internal Model calculations are performed by the Group Reporting & Tax team within Finance.

The Chief Actuaries of the Life Companies hold key regulatory accountabilities as the SMF20 role holders for the Life Companies, along with broader financial and risk management objectives as part of their Phoenix role profiles. While Chief Actuary reporting lines are outside of GCTM, to the Life Companies' Finance Director, the Chief Actuaries of the Life Companies attend GCTM Leadership Team meetings. The Chief Actuary and other senior members of the Actuarial function also sit on or chair a number of key internal governance committees. This role within the governance process ensures the Actuarial function is well placed to contribute to the development, monitoring and improvement of the Group's risk management system.

The key responsibilities of the Actuarial function under Solvency UK are to:

- coordinate the calculation of the technical provisions;
- ensure the appropriateness of the methodologies and underlying models used, as well as the assumptions made in the calculation of technical provisions;
- assess the sufficiency and quality of the data used in the calculation of technical provisions;
- compare the best estimate against experience;
- Inform the governing body of the reliability and adequacy of the calculation of technical provisions;
- express an opinion on the adequacy of reinsurance arrangements;
- express an opinion on the overall underwriting policy; and
- contribute to the effective implementation of the risk management system.

The Actuarial function is responsible for group-wide actuarial methodology and regularly reports to the Group and Life Companies' Board Audit Committee on the reliability and adequacy of the Group's technical provisions, including on the appropriateness of the underlying methodologies, models and assumptions. The key tasks undertaken by the Actuarial function with respect to the solo UK Life Companies are reported to the Boards and other key stakeholders in the annual 'Actuarial Function Report'. This report describes the results and outcomes of the key tasks performed by the Actuarial function, along with any material deficiencies arising from them, and highlights where further details can be found regarding recommendations made to address any material deficiencies.

The Actuarial function supports risk management through the development and maintenance of the Group's Internal Model methodology and calibrations in line with the policies and standards that are maintained by the Risk function. All persons in regulated roles – including the Chief Actuaries and the Chief Capital Officer - are subject to the Group's fit and proper minimum requirements to ensure they have the required skills and knowledge to comply with their roles and responsibilities.

B.7 Third Party Management

B.7.1 Third Party Relationships

Third Party Management Risk Sourcing and procurement risk is defined as the risk of reductions in earnings and/or value through financial or reputational loss associated with a Third Party or managing material intragroup arrangements to provide the service required by the Group (either through their own organisational failure, or simply substandard performance). The Group has a Third Party Management Risk Policy in place which seeks to manage sourcing and procurement risk and support delivery of good outcomes for our internal stakeholders and external customers. It applies to the international group unless there are local requirements.

The Policy covers the Group's control objectives which are to be adhered to when evaluating, selecting, implementing, and managing third parties in order to ensure risk is managed appropriately. The Policy also contains the key risks associated with third party management and the controls in place to mitigate those risks to within an acceptable risk appetite, with particular focus on those who are deemed to be Material as per the Supervisory Statement SS2/21 'Outsourcing and third party risk management'. This aligns with the Risk and Control Framework operated across the Group to manage risk. Further details on the Risk and Control Framework can be found in section B.3.

The Policy applies to all colleagues involved in Third Party-related activities and provides clarity on the Group's framework for managing outsourcing and third party relationships and identifying the most material relationships.

The Policy is reviewed annually, and the control objectives are approved by the Group Board Risk Committee.

B.7.2 Third Party Management Policy

One of the Group's key strategic decisions is to use third parties who deliver a range of services, including policy administration, claims handling, fund accounting services, custody services and investment management. All third parties are carefully selected following appropriate due diligence.

Providers of these services are mostly based in the UK, with some third parties having supporting offshore locations.

B.7 Third Party Management continued

B.7.2 Third Party Management Policy continued

The strategically important third parties have scale and common processes, often across multiple clients, which provide several benefits for the Group, including reducing investment requirements, improving the technology used within the administrative capability, and reducing operational risk, thereby enabling the Group to manage risks, reduce costs and focus on core capabilities.

B.7.3 Intra-group third party arrangements

The Service Companies are responsible for providing the Group's insurance subsidiaries (via intragroup arrangements) with all required management services. These services are primarily provided from the UK and Ireland.

B.8 Any other information

B.8.1 System of Governance – assessment of adequacy

The Group's System of Governance, noted throughout section B, remains adequate given the nature, scale and complexity of risks inherent in the business. This assessment is primarily based on:

- Group Risk regularly report to the Group Board Risk Committee on the key risks within the business and the effectiveness of management in addressing these. In addition, Group Risk conduct periodic reviews of the RMF to ensure it remains effective for the nature, scale and complexity of risks faced by the Group.
- The Group's Own Risk and Solvency Assessment processes are embedded within the organisation and used as a key tool for business decision-making, with the Board actively engaged throughout.
- As noted in B.3.4, the Group has an Internal Model for Phoenix Life Limited. Appropriate governance is in place for the Internal Model to ensure that it remains up to date and appropriately reflects the risk profile of the business.
- Company Secretariat maintains a Corporate Governance Policy, which assesses the adherence of the Group's Solvency UK entities with their relevant codes of governance on at least an annual basis; this also includes conducting annual board effectiveness reviews (as required).

There is no further material information to be disclosed regarding the system of governance beyond the information disclosed in section B.

In this section

Risk profile

Risk profile

Risk Profile

This section provides information on the risk profile of the Group and its Life insurance subsidiaries, including for each category of risk, a description of the risks, a description of the measures used to assess these risks, material risk exposures, concentrations and risk mitigation techniques.

Section B.3 sets out the risk management system including information on how the Risk Management Framework is implemented and integrated into the organisational structure and decision-making processes of the Group and its Life insurance subsidiaries.

Section C.7.2 provides details on the sensitivity analysis for each category of risk for the Group and its main insurance subsidiaries.

To show an indicative PGH Group view, (where relevant) the underlying tables within this section present the risk profile of the Group's insurance subsidiaries. The Group uses a Partial Internal Model, with permission from the PRA, to calculate the Group SCR, which is calibrated to withstand a stress event to a 99.5% confidence level over a one-year period.

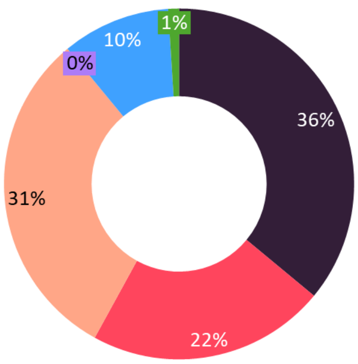
The PGH Group SCR is aggregated from the output of the Internal Model, and the Standard Formula calculations for SLIDAC, the Phoenix Life CA entities, ReAssure entities and Bermudan entities, as described in section B.3.4. An allowance is made for diversification between Internal Model entities and for diversification between Standard Formula entities.

SLIDAC uses a Partial Internal Model with a bespoke model for Counterparty Default risk and Operational risk, an application to extend the Group's Partial Internal Model to include these risks in SLIDAC is in train.

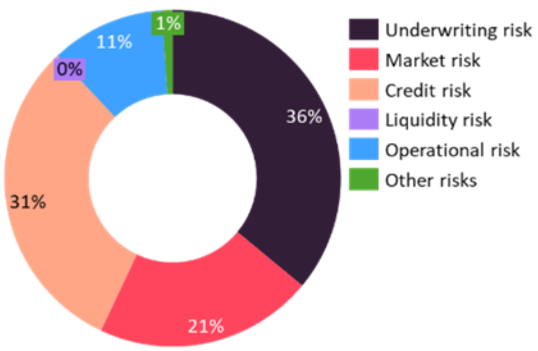
RAL maintains a legacy Partial Internal Model for determining an internal economic capital view, which is used to inform business decisions only.

The chart and table below give an indicative exposure of the overall risk profile for the PGH Group. It shows a high-level view of the composition of the PGH Group undiversified SCR by aggregating the risk profiles for each entity across the different risk types using a simple pro rata approach.

2024:



2023:



Risk profile continued

The undiversified SCR of the underlying insurance subsidiaries is presented below.

Risk profile of insurance subsidiaries and the Group	Section reference	PLL	PA(GI)	PGH Group Internal Model	RAL	RLL	PLCL	SLIDAC	PGH Group Standard Formula	PGH Group
Underwriting risk	C.1	31%	–	30%	44%	–	57%	43%	52%	36%
Market risk	C.2	22%	–	22%	26%	33%	27%	31%	20%	22%
Credit risk	C.3	35%	–	35%	25%	29%	8%	17%	21%	31%
Liquidity risk	C.4	–	–	–	–	–	–	–	–	–
Operational risk	C.5	12%	100%	12%	5%	38%	8%	9%	7%	10%
Other risks	C.6	–	–	1%	–	–	–	–	–	1%
Total		100%	100%	100%	100%	100%	100%	100%	100%	100%

The Group and its Life insurance subsidiaries are generally exposed to similar risks although the extent of exposures varies depending on the Line of business ('LoB') underwritten by the insurance undertaking and the asset portfolios held.

Sections C.1 to C.6 set out, for each of the risks, a description of the material risks to which the Group and its Life insurance subsidiaries are exposed, the risk measurement techniques used to assess these risks, risk concentrations, and a description of risk mitigation techniques used for mitigating these risks. Section C.7.2 sets out the results of stress testing and sensitivity analysis for material risks.

The Group and its Life insurance subsidiaries do not hold SCR for liquidity risk, as explained further in section C.4.2. More details regarding the SCR are set out in section E.

C.1 Underwriting risk

C.1.1 Risk exposure

This section describes the underwriting risk exposures of the Phoenix Group for the year ended 31 December 2024.

Underwriting risk refers to the risk that the frequency or severity of insured events may be worse than expected and includes expense risk. Contracts underwritten within the Group include the following sources of underwriting risk:

Risk source	Description
Mortality risk (including catastrophe risk)	The risk of reductions in earnings, capital and/or value through a financial or reputational loss arising as a result of higher than expected number of death claims on assurance products, lower than expected improvement in mortality or adverse movement in mortality rates on Equity Release Mortgages.
Longevity risk	The risk of reductions in earnings, capital and/or value through a financial or reputational loss arising as a result of lower than expected number of deaths experienced on annuity products or greater than expected improvements in annuitant mortality.
Morbidity/Disability risk	The risk of reductions in earnings, capital and/or value through a financial or reputational loss arising as a result of higher than expected number of inceptions on critical illness or income protection policies and lower than expected recovery rates on income protection policies, or adverse movement in morbidity rates on Equity Release Mortgages.
Expense risk	The risk of reductions in earnings, capital and/or value through a financial or reputational loss arising as a result of unexpected timing or value of expenses incurred.
Persistency risk	The risk of reductions in earnings, capital and/or value through a financial or reputational loss arising as a result of adverse movements in either surrender rates, GAO surrender rates, GAO take-up rates, policyholder retirement dates, the occurrence of a mass lapse event or adverse change in mortgage prepayment rates leading to losses.
New Business pricing risk	The risk of reductions in earnings, capital and/or value through a financial or reputational loss arising as a result of inappropriate pricing of new business that is not in line with the underlying risk factors for that business.

Risk profile continued

C.1 Underwriting risk continued

C.1.1 Risk exposure continued

The table below shows the split of the undiversified SCR in respect of underwriting risk.

Components of underwriting risk	PLL	PA(GI)	PGH Group Internal Model	RAL	RLL	SLIDAC	PLCL	PGH Group Standard Formula	PGH Group
Longevity risk	29%	–	29%	28%	–	8%	13%	20%	27%
Lapse risk (including persistency risk)	39%	–	38%	55%	–	65%	52%	57%	43%
Other life underwriting risk	32%	–	33%	17%	–	27%	35%	23%	30%
Total underwriting risk	100%	–	100%	100%	–	100%	100%	100%	100%

RLL holds no risk capital in respect of underwriting risk as all underwriting risk is transferred via reinsurance either through external reinsurance arrangements or through an intra-group reinsurance agreement that is in place with RAL.

In addition to exposure arising from contracts underwritten by the insurance subsidiaries, the Group is also exposed to longevity risk arising from the Pearl Group Staff Pension Scheme ('Pearl Scheme'), the Abbey Life Assurance Company Limited Staff Pension Scheme ('Abbey Life Scheme'),the ReAssure Staff Pension Scheme ('ReAssure Scheme') and the Sun Life Assurance Company of Canada 1988 UK and Irish Employee Benefits scheme ('Sun Life of Canada Scheme'). For the Pearl Scheme, longevity risk has transferred to PLL through a series of buy-ins. Similarly, a significant proportion of the Sun Life of Canada Scheme has transferred longevity risk to external parties through buy-in arrangements.

During the year ended 31 December 2024, the key changes to underwriting risk exposure include:

- the update of longevity, mortality and persistency assumptions to consider portfolio and population experience up to 31 December 2024 and the latest views on future trends. This has resulted in an overall release of longevity risk reserves. There has also been a net release in mortality risk reserves due to the removal of a short-term allowance for elevated post-pandemic mortality;
- the successful acquisition of Bulk Purchase Annuity books, however most resulting longevity exposure is reinsured externally;
- the updated expense risk calibration led to an increase in expense risk capital; and
- the continued increases in yields over the year has reduced the overall exposure to insurance risks.

C.1.2 Risk measurement

The Group uses several methods to assess and monitor underwriting risk exposures both for individual types of risks insured and the overall risks. These methods include the use of an Internal Model, with permission from the PRA, experience analyses, external data comparisons, sensitivity analyses, scenario analyses and stress testing.

As at 31 December 2024, underwriting risk represented 36% of the Group's total undiversified SCR as shown in the chart at the beginning of section C. Sensitivity analysis and impacts are detailed in Section C.7.2 Sensitivity analysis.

C.1.3 Risk concentration

The Group is not exposed to any material concentration of underwriting risk. For all underwriting risks described above, the Group's exposure is spread across a diversified portfolio of products with approximately 12 million individual customers. No individual policyholder contract size is large enough to represent a material concentration as a proportion of the Group's total risk exposure.

C.1.4 Risk mitigation

The Group seeks to manage exposure to underwriting risk by establishing Control Objectives and Key Controls within its Risk Policy. Risk appetite statements have been established for underwriting risks and the risk exposures are monitored against agreed limits.

The ongoing effectiveness of insurance risk mitigation is monitored on a regular basis by the Enterprise Asset and Liability Committee ('ALCo').

The mitigation of underwriting risk through reinsurance and other forms of risk transfer is used to manage the overall level of exposure to underwriting risk. This includes the use of conventional reinsurance treaties and longevity swaps to mitigate annuitant longevity risk.

The ongoing effectiveness of the reinsurance ceded externally by the Group's Life Companies is monitored on an ongoing basis by the Reassurance Management Committee ('RMC').

Risk profile continued

C.2 Market risk

C.2.1 Risk exposure

This section describes the market risk exposures of the Phoenix Group for the year ended 31 December 2024.

Market risk is the risk of loss or of adverse change in the financial situation resulting, directly or indirectly, from fluctuations in the level and in the volatility of market prices of assets, liabilities and financial instruments. The Group and its Life insurance subsidiaries are exposed to the following sources of market risk:

Risk source	Description
Interest rate risk	Changes in long-term interest rates (or the volatilities of these rates) could lead to reductions in asset values relative to liabilities which may result in losses for policyholders and shareholders. In this context bond assets should be taken to include government bonds, debt issued by supranationals, corporate bonds and collectives that invest primarily in these assets.
Gilt swap spread risk	The risk of losses in the value of gilts and other AAA and sovereign and supranational bonds arising from a widening in the spread in the yield on these bonds over the PRA defined risk-free swap yields. This is driven from the basis risk associated with holding assets (gilts/sovereign debt (rated AAA)/supranational bonds) exposed to government bond yields whilst valuing liabilities on a PRA prescribed swaps basis.
Equity risk	Reduction in the valuation of equities (or changes in the volatility) could lead to reductions in asset values which may result in losses for policyholders and shareholders. In this context, equity assets should be taken to include shares, equity derivatives, equity collectives (Open Ended Investment Companies ('OEIC') , unit trusts, investment trusts), and unlisted equities (e.g. hedge funds, private equity etc.)
Property risk	Reductions in the valuation of property investments could lead to reductions in asset values which may result in losses for policyholders and shareholders. In this context, property assets should be taken to include direct property investment, equity release mortgages, shares in property companies, property collectives (OEICs, unit trusts, investment trusts), residential property and structured property assets.
Inflation risk	Changes in inflation rates (or the volatilities of these rates) could lead to reductions in asset values relative to liabilities which may result in losses for policyholders and shareholders.
Currency risk	Changes in the value of currencies could lead to reductions in asset values which may result in losses for policyholders and shareholders.
Strategic Financing risk	The Group has appetite to proportionally invest shareholder capital in different parts of a company's capital structure (e.g. equity, mezzanine/sub-investment grade debt) where investments are in line with the Group's strategic aims, sustainable investment philosophy and compliance with the Prudent Person Principle ('PPP') is maintained.
Policyholder Investment Outcomes risk	The risk that our decisions on factors affecting the investment of policyholder assets has an adverse outcome on policyholder investment returns.

The Group seeks to hedge against the majority of shareholder exposure to equities, currency, inflation and interest rate risks through the use of derivatives which ensures that the Group remains resilient during challenging economic conditions.

The table below shows the split of the undiversified SCR in respect of market risk for each of the insurance subsidiaries and the Group.

Components of market risk	PLL	PA(GI)	PGH Group Internal Model	RAL	RLL	SLIDAC	PLCL	PGH Group Standard Formula	PGH Group
Interest rate risk	23%	–	22%	28%	26%	1%	19%	20%	22%
Gilt swap spread risk	12%	–	11%	–	–	–	–	–	9%
Equity risk	28%	–	27%	50%	74%	61%	53%	53%	31%
Property risk	21%	–	19%	–	–	1%	3%	3%	16%
Currency risk	10%	–	16%	15%	–	25%	22%	19%	16%
Other market risks	6%	–	5%	7%	–	12%	3%	5%	6%
Total market risk	100%	–	100%	100%	100%	100%	100%	100%	100%

C.2 Market risk continued

C.2.2 Risk measurement

The Group and its insurance subsidiaries use several methods to assess and monitor market risk exposures both for individual market risk categories and for the aggregate exposure to all market risks. These methods include monitoring of asset portfolio composition, interest rate mismatch risk metrics, strategic asset allocation, and hedge effectiveness.

Further risk monitoring tools utilised by the Group include the use of an Internal Model, experience analyses, external data comparisons, sensitivity analyses, scenario analyses and stress testing.

As at 31 December 2024, market risk represented 22% of the Group's total undiversified SCR as shown in the chart at the beginning of section C. Sensitivity analysis and impacts are detailed in Section C.7.2 Sensitivity analysis.

C.2.3 Risk concentration

The asset concentrations are managed through the Group's strategic asset allocation process, with the allocation to each asset class being agreed by the insurance subsidiaries' Boards. The operation of agreed market risk concentration limits at fund level ensures that the Group and its insurance subsidiaries are not overly exposed to any single country, sector or counterparty.

C.2.4 Risk mitigation

Interest rate risk (including Gilt swap spread risk)

With-profit business and non-participating business within the with-profit funds ('WPFs') are exposed to interest rate risk as guaranteed liabilities are valued relative to market interest rates and investments include fixed interest securities and derivatives. For with-profit business, the profit or loss arising from mismatches between such assets and liabilities is largely offset by increased or reduced discretionary policyholder benefits dependent on the existence of policyholder guarantees. The contribution of these funds to the Group result is determined primarily through the impact on the value of future shareholder transfers and/or by the change in value of the current or assumed future level of shareholder support within the relevant with-profits funds of the insurance subsidiaries. For the supported funds, the shareholder capital is exposed to all economic movements until the estate is rebuilt to cover the required capital, at which point the fund becomes 'unsupported'.

Interest rate risk is managed by matching assets and liabilities where practical and by entering into derivative arrangements for hedging purposes where appropriate. This is particularly the case for the other life insurance funds including Matching Adjustment annuity funds. The market risks arising from participating business are born primarily by the with-profits policyholders. Market risk exposures, including the exposure to interest rate risk, are set with the aims of (i) ensuring that the with-profits funds are strong enough to honour guarantees and to smooth investment returns, and (ii) to optimise the risks and returns for with-profits policyholders, taking into account previous undertakings made to policyholders as well as legal and regulatory requirements. In practice, the Life insurance subsidiaries within the Group maintain an appropriate mix of fixed and variable rate instruments (including cash and derivatives) according to the underlying policyholder liabilities. A review is performed at regular intervals to ensure that overall exposure is kept within the risk profile agreed for each particular fund. This also requires the maturity profile of these assets to be managed in line with the liabilities to policyholders.

In the non-profit fund and particularly the Matching Adjustment annuity funds, policy liabilities' sensitivity to interest rates are matched primarily with fixed and variable rate income securities and derivatives, with the result that sensitivity to changes in interest rates is low.

Exposure to ERM is included in the PLL Matching Adjustment ('MA') and non-MA portfolios. The interest rate risk in respect of these illiquid assets is matched to liabilities in order to leave a low residual interest rate risk exposure. The potential adverse loss in respect of these illiquid assets is modelled using bespoke in-house models reflecting the specificities of these asset classes.

The Group's pension schemes exposure to interest rates is largely hedged through the use of long dated gilts and interest rate swaps, within the schemes.

Equity and property risk

The Group's objective in holding equity and property assets is to support customer outcomes, and to improve the annuity proposition where the Group invests in property-related assets.

The Group's exposure to equity risk is through both our Unit Linked and With Profit business. For Unit Linked, this supports the Pensions and Savings business, where returns are generated on the Annual Management Charges on funds selected by our customers. For With Profits business, equity exposure is used to manage investment returns for potential future bonuses and impacts, where applicable, shareholder transfers.

The Group's exposure to property risk has increased due to increased investment in illiquid assets such as Equity Release Mortgages, where there is No Negative Equity Guarantee Risk, credit assets, such as Commercial Real Estate Loans ('CREL') where the Loss Given Default is affected by property risk as these are secured on property. Further, the Group has exposure to collectives in the Unit-Linked funds and With

Risk profile continued

C.2 Market risk continued

C.2.4 Risk mitigation continued

Equity and property risk continued

Profits Funds ('WPF'); and some direct property holdings in the WPFs and are held for the reasons noted above.

Equity and property price risk is managed through the agreement and monitoring of financial risk profiles that are appropriate for each of the

Group's life funds in respect of maintaining adequate regulatory capital and treating customers fairly. This is largely achieved through asset class diversification and within the Group's Asset-Liability Management ('ALM') framework through the holding of derivatives or physical positions in relevant assets to hedge equity risk where appropriate. Any residual equity exposure at Group level is hedged, if necessary, to keep the Group exposure within risk appetite. For trust-based defined contribution schemes, risk exposures are managed via each scheme's investment strategy, as agreed by the trustees of each scheme.

Inflation risk

The Group is exposed to inflation risk through annuity policies and the Group's pension schemes, which may provide for future benefits to be paid taking account of changes in the level of experienced and implied inflation, and also through the Group's cost base. The Group seeks to manage inflation risk through the holding of derivatives, such as inflation swaps, or physical positions in relevant assets, such as index-linked gilts, where appropriate.

Currency risk

The Group and its insurance subsidiaries' financial assets are primarily denominated in the same currencies as its policyholder liabilities. Thus, the main foreign exchange risk arises from recognised assets and liabilities denominated in currencies other than those in which policyholder liabilities are expected to be settled and, indirectly, from the earnings of UK companies arising abroad.

Both the with-profit and non-profit funds (particularly the MA funds) have some exposure to overseas assets which is not driven by liability considerations. The purpose of this exposure is to reduce overall risk whilst maximising returns by diversification. This exposure is limited and managed through investment mandates which are subject to the oversight of the investment committees of the Boards of each insurance subsidiary, and in the case of the with-profit funds consistent with policyholders' reasonable expectations and PPFM. Fluctuations in exchange rates from certain holdings in overseas assets are hedged against currency risks.

Strategic Financing risk

PLL and RAL hold strategic financing investments as part of their wider diversified portfolios. The risks are managed in accordance with the ALM framework, taking into account the ALM targets and risk appetite of the funds in question. Investments are chosen in line with the Group's sustainable investment philosophy and in compliance with the Prudent Person Principle.

Some of the Group's pension schemes have exposure to Strategic Financing risk. These exposures may be material in the context of the scheme, however this is not material to the Group as a whole. Risk exposures are managed via each Scheme's investment strategy, as agreed by the trustees of each scheme.

The ongoing effectiveness of market risk mitigation is monitored on a regular basis by the Enterprise Asset and Liability Committee ('ALCo').

Policyholder investment outcomes risk

The Group provides unit-linked investment propositions where policyholder assets are exposed to market risk. The Group operates a suite of controls over customer funds to ensure exposure to market risk is maintained within the customer's risk appetite. These controls include monitoring of investment manager and external fund performance, reviewing customer funds, and making changes as required to manage market and investment risk.

Risk profile continued

C.3 Credit risk

C.3.1 Risk exposure

This section describes the credit risk exposures of the Phoenix Group for the year ended 31 December 2024.

Credit risk is the risk of a reduction in earnings and/or value, through financial or reputational loss, as a result of the default of a third party in respect of their financial obligations to the Group or failing to meet those obligations in a timely manner. These obligations can relate to both on and off-balance sheet assets and liabilities. The Group and the Life insurance subsidiaries are exposed to the following sources of credit risk:

Risk source	Description
Spread risk	Widening credit spreads (i.e. difference between corporate bond yields and the swap curve) could result in reductions in asset values, which may cause losses for shareholders and policyholders. This includes sovereign debt with a rating below AAA.
Illiquid credit risk	Changes in the value and/or volatility of investment in illiquid credit assets (such as structured equity release mortgages, infrastructure loans, commercial real estate, etc) which may result in losses for shareholders and policyholders.
Investment counterparty risk	The risk of default or credit rating downgrade in investments such as fixed income (e.g. sovereign debt, corporate debt), private debt, money market funds, cash on deposit and banking counterparties where derivatives are used to mitigate risks.
Reinsurance counterparty risk	The risk of a Reinsurance counterparty default, inadequate counterparty due diligence or collateralisation may result in financial loss and reputational damage to the Group.
Outsourcer default risk	The risk of failure of an arrangement between a Group entity and a Third Party, by which that Third Party performs a process, a service, or an activity, whether directly or by sub-outsourcing, which would otherwise be performed by the Group entity.
Stock-lending risk	The risk of financial loss as a result of stock lending counterparty default.

During the year ended 31 December 2024, the key change to credit risk exposure continues to be the increased investment in illiquid credit assets, including ERM (through ongoing funding of new loans), CREL and infrastructure loans. This is as a result of BPA transactions with the aim of achieving greater diversification and investment returns, consistent with the Strategic Asset Allocation and Risk Appetite approved by the Board.

The Group Counterparty Credit Limit framework has been further strengthened during 2024 to support improved management of counterparty credit risk. Both aggregate and sub-limits at a Group level (i.e. liquid, illiquid, cash, derivative and reinsurance) are monitored for individual counterparties. The framework also contains country, industry, BBB+ and below, illiquid asset allocation and asset class limits. Special limits are in place for counterparties which are considered to warrant higher limits. The framework and limits are reviewed at least on an annual basis and forms part of the overall Group Credit Risk policy.

Over 2024 the Group has continued to undertake actions to increase the overall credit quality of its portfolio and mitigate the impact on risk capital of future downgrades. The Group's exposure to 'sub-investment grade' rated assets (which mainly consists of BB+ rated assets) remains immaterial.

C.3.2 Risk measurement

Several methods are used to assess and monitor credit exposures. These methods include monitoring of asset portfolio composition, single name counterparty limits and monitoring and Value-at-Risk ('VaR') and Potential Future Value Exposure modelling.

In addition, these methods include the use of the Group's Internal Model with permission from the PRA (as described in section B.3.4), experience analyses, external data comparisons, sensitivity analyses, scenario analyses and stress testing. The Internal Model includes a bespoke stress capital model for ERM and associated loan notes, which looks through to the underlying market and credit risk categories.

As at 31 December 2024, credit risk represented 31% of the Group's total undiversified SCR as shown in the chart at the beginning of section C. Sensitivity analysis and impacts are detailed in Section C.7.2 Sensitivity analysis.

C.3.3 Risk concentration

Concentration of credit risk exists where the Group or its insurance subsidiaries has significant exposure to an individual counterparty or a group of counterparties with similar economic characteristics that would cause their ability to meet contractual obligations to be similarly affected by changes in economic and other conditions. Counterparty credit risk is monitored by the counterparty limits contained within the Group Credit Limit & Counterparty Framework and investment guidelines. Counterparty risk in respect of over-the-counter ('OTC') derivative counterparties is monitored using a Potential Future Value Exposure ('PFE') value metric.

Risk profile continued

C.3 Credit risk continued
C.3.3 Risk concentration continued

As at 31 December 2024, the largest credit counterparty exposures to a single name counterparty in the Group's asset portfolio were:

	PGH Group
HIS MAJESTY'S TREASURY	16,247
DIRECTION GENERALE DU TRESOR	2,168
BUNDESREPUBLIK DEUTSCHLAND	1,673

The insurance subsidiaries and the Group are exposed to concentration risk in respect of reinsurance ceded to external counterparties, although this is largely mitigated by collateral arrangements with the reinsurers and concentration limits in respect of individual reinsurance counterparties. Section C.1.4 contains details on the Group's largest reinsurance counterparties.

The insurance subsidiaries and the Group are also exposed to concentration risk with outsource service providers. The Group operates a policy to manage counterparty exposures arising from third party outsourcers and the impact from default is reviewed regularly by executive committees and measured though the Partial Internal Model, including the use of stress and scenario testing. Further details on the Group's outsourcing arrangements can be found in section B.7.

C.3.4 Risk mitigation

Credit risk is managed by monitoring aggregate Group exposures to individual counterparties, through appropriate credit risk diversification and via the investment mandates. The Group manages the level of credit risk it accepts through credit risk tolerances and limits (including asset class, industry and geography limits). Additional controls for illiquid asset concentration risk are set out via specific risk limits within the risk appetite framework. In certain cases, protection against exposure to particular credit risk types may be achieved through the use of derivatives. The credit risk borne by the shareholder on with-profit policies is dependent on the extent to which the underlying insurance fund is reliant on shareholder support.

The Group maintains appropriate and consistent risk rating across its asset portfolio. This enables management to focus on the applicable risks and to compare credit exposures across all lines of business, geographical regions and products. The rating system is supported by a variety of financial analytics combined with market information to provide the main inputs for the measurement of counterparty risk. All risk ratings are tailored to the various categories of assets and are assessed and updated regularly. The Group operates several management committees to perform monitoring of externally rated and internally rated assets.

The ongoing effectiveness of credit risk mitigation described above is monitored on an ongoing basis by the Enterprise Asset Management Committee ('EAMC') and the Reassurance Management Committee ('RMC').

Further specific mitigation techniques are set out below.

Matching Adjustment portfolio

PLL and RAL have Matching Adjustment approval in respect of blocks of non-participating annuity business. Credit risk and Matching Adjustment is managed via the investment mandates and with investment in Matching Adjustment eligible assets.

Reinsurers

The Group cedes insurance risk in the normal course of business. The Group has policies and procedures in place for the management of reinsurance counterparty default risk, including the design of new treaties and the regular monitoring of reinsurance counterparties by the RMC.

Collateral

The Group receives and pledges collateral in the form of cash or non-cash assets in respect of derivative contracts, reinsurance arrangements and securities lending in order to reduce the credit risk of these transactions. The amount and type of collateral required where the Group receives collateral depends on the terms agreed with the counterparty, which are subject to an assessment of their credit risk.

Outsourcers

The Group receives services from third party outsourcers in relation to policy administration, asset management and fund accounting services. As a result of receiving these services, the Group is exposed to the risk of default. Risk capital is assessed under a 'Multiple Policy Administration Outsourcer failure and default' scenario.

The selected scenario considers a situation where a number of policy administration suppliers default on contractual obligations and become insolvent. Risk capital is assessed based on an established methodology and is reviewed and agreed by management oversight committees and the MGC.

The risk capital assessment takes account of the supplier's operating model, control factors and other forms of protection (such as parental letters of credit used to mitigate the risk for certain outsourcers).

C.4 Liquidity risk

C.4.1 Risk exposure

Liquidity risk is defined as the failure of the Group to maintain adequate levels of financial resources to enable it to meet its obligations as they fall due. The Group has exposure to liquidity risk as a result of servicing its external debt and equity investors, and from the operating requirements of the Life insurance subsidiaries. The Group's Life insurance subsidiaries have exposure to liquidity risk as a result of normal business activities, specifically the risk arising from an inability to meet medium-term and short-term cash flow requirements.

The Group has a very low risk appetite in respect of liquidity risk, with liquidity buffers being calibrated on the basis of meeting financial obligations in a 1-in-200 stress event.

The Group has a set of established policies and processes to manage its exposure to liquidity risk, including impacts arising from the economic environment, business development and funding changes. These are outlined in C.4.4. Where liquidity risk is heightened, such as during the market volatility following the UK mini-budget in September 2022, triggers are in place to enhance the frequency of liquidity monitoring and to implement available contingency actions to ensure sufficient liquidity is maintained.

C.4.2 Risk measurement

Holding capital is not considered to be an appropriate mitigant for liquidity risk. In addition, the liquidity monitoring processes in place across the Group are considered to be sufficient to ensure that liquidity risk exposures remain non-material or will not arise at all.

The primary metric for measuring liquidity risk is the Quantitative Risk Metric ('QRM') which is defined as the headroom of available liquid and other tangible assets above demand and required buffers. The liquidity metric is assessed over four different time horizon durations: liquidity risks that could crystallise immediately (overnight), over the short-term (2 weeks), over the medium term (90 days), and over one year. This approach is consistent with the requirement within the PRA Supervisory Statement SS5/19 to consider multiple timeframes and commensurate with how the Group is exposed to liquidity risk. QRMs are set for each segregated liquidity pool (i.e. at the entity or WP fund level) and consider each liquidity time horizon for the current period and forecast over the next 12 months. The liquidity QRM builds on the granular liquidity buffers and provides senior management with a clear line of sight from their stated risk appetites to the measurement of risk with associated triggers and limits. These metrics are reported to relevant Management Oversight Committees on a monthly basis.

The QRMs facilitate a 'ladder of intervention' approach by setting an Early Warning Indicator ('EWI') at the point to 'stop and think' whether action is needed to protect strategy and remain within risk appetite; and a 'risk appetite' point where actions need to be agreed to minimise the risk of failing to meet financial obligations as they fall due.

A triggers framework that applies a Red, Amber and Green ('RAG') status approach, is used to help the monitoring of the liquidity QRMs. Escalation will be dictated by the liquidity RAG status.

EWIs have been established for liquidity risks that identify potential upcoming liquidity stress, and thereby prompt potential mitigating action before the crystallisation of the liquidity stress.

The Group has established a Contingency Funding Committee ('CFC') that meets at least quarterly. It is a sub-committee ALCo, the purpose of which is to ensure liquidity and funding risks are understood across the Group, and to develop action plans to deal with liquidity shortfalls which may occur on a business as usual basis or during a stress event. The CFC is also responsible for maintaining the Contingency Liquidity Plan ('CLP'). This plan outlines procedures to be performed in the event of a liquidity stress and sets out contingency actions to address liquidity shortfalls.

The ALCo meets monthly to monitor the capital and liquidity positions of the Group entity and its subsidiaries, which include the Life insurance subsidiaries.

C.4.3 Risk concentration

The liquidity risk register provides an overview of the sources of liquidity risk across the Phoenix Group and how these are managed.

The entities within the Group assess these liquidity risk drivers to determine whether appropriate liquidity buffers should be held within specific entities and funds, and in respect of the different liquidity time periods.

Liquidity Risk for the Life insurance subsidiaries arises primarily from the following key sources:

- Mass lapse events;
- Collateral calls for derivative assets held;
- Short-term pre-funding of large investments, switches or new business activity such as purchases of Bulk Purchase Annuities ('BPA');
- Reinsurer or counterparty default;
- Operational risk events;
- Insufficient liquidity in working capital accounts;
- Injection of assets into Matching Adjustment funds; and
- Support for with-profit funds.

C.4 Liquidity risk continued

C.4.3 Risk concentration continued

Liquidity risk for the Group entities arises primarily from the following key sources:

- Meeting contractual or mandatory obligations such as debt obligations and expense payments;
- Supporting any intra-group facilities; and
- Meeting collateral calls for any derivative assets held.

C.4.4 Risk mitigation

The liquidity risk framework is designed to ensure that:

- Liquidity risk is managed in a manner consistent with the Board's strategic objectives, risk appetite and Principles & Practi ces of Financial Management;
- Cash flows are appropriately managed and the reputation of the Group is safeguarded; and
- Appropriate information on liquidity risk is available to those making decisions.

The Group seeks to take business risks that are understood, managed effectively and consistent with the Group's strategy. Achieving this requires strong liquidity and funding risk management and a positive risk culture to support informed decision-making and controlled risk-taking. The Group Risk Management Framework ('RMF') enables the business to analyse its risk exposures and use this analysis to reduce exposure to unwanted risks, optimise asset allocation, and ensure the efficient release of capital to enable the Group's cash generation targets to be met. Consequently, the accurate identification, modelling and mitigation of material sources of liquidity risk is critical to achieving the Group's business strategy.

The Group's liquidity risk management strategy is based on a risk appetite of less than a 1-in-200 chance of having insufficient liquid or tangible assets to meet financial obligations as they fall due and is supported by:

- Holding appropriate assets to meet liquidity buffers;
- Holding high quality liquid assets to support day to day operations;
- An effective stress testing framework to ensure survival horizons are met under different severe, but plausible stress scenarios;
- Effective liquidity portfolio management including EWIs; and
- Liquidity risk contingency planning.

For with-profits contracts, a portfolio of assets is maintained in the relevant funds appropriate to the nature and term of the expected pattern of payments of liabilities. Within that portfolio, liquidity is provided by holdings of cash and highly liquid assets. Where it is necessary to sell less liquid assets within the relevant portfolios, then any incurred losses are generally passed onto the With-Profits policyholders in accordance with policyholders' reasonable expectations.

For unit-linked contracts, assets are invested in accordance with the mandates of the relevant unit-linked funds. Policyholder behaviour and the trading position of asset classes are actively monitored. The unit value and value of any associated contracts would reflect the proceeds of any sales of assets. In stressed conditions, the Life insurance subsidiaries could be exposed to liquidity risk in its unit-linked funds. This could occur where a high volume of surrenders coincides with a tightening of liquidity in a unit-linked fund to the point where assets of that fund have to be sold to meet those withdrawals. Where the fund affected consists of less liquid assets such as property, it can take several months to complete a sale and this would impede the proper operation of the fund. In these situations, both to ensure the fair treatment of all investors in those funds and to protect the Company's own risk exposure, deferral terms within the policy conditions applying to the majority of the Company's unit-linked contracts can be invoked.

The Life insurance subsidiaries are party to a number of derivatives; bilateral and centrally cleared over-the-counter, and exchange traded contracts. These derivative contracts are monitored daily, via an end-of-day valuation process, to assess the need for additional funds to cover margin or collateral calls. Liquid assets are held to cover internally set buffers to meet collateral calls on derivative assets on a daily basis with Management Information produced at least monthly.

For annuity contracts, assets are held which are specifically chosen with the intention of matching the expected timing of annuity payments. Liquidity risk is minimised through the process of asset and liability cash flow matching. In addition, appropriate buffers are held within the relevant funds in respect of the longevity and credit risk within the annuity funds.

The risks associated with pre-funding for Workplace pension schemes and funding of new business activity (such as BPA), are carefully managed through credit checks on counterparties and use of appropriate legal arrangements. The liquidity implications are assessed by the Liquidity Management and Asset Management teams prior to committing to material transactions, to ensure the liquidity risk is managed in line with risk appetite. Controls are in place and regular meetings are held with the relevant stakeholders to get sufficient sight of upcoming business activities and mitigate any liquidity risk.

Some of the Life insurance subsidiaries' commercial property investments and cash and cash equivalents are held through collective investment schemes. The collective investment schemes have the power to restrict and/or suspend withdrawals, which would, in turn, affect liquidity.

C.4 Liquidity risk continued
C.4.4 Risk mitigation continued

A significant proportion of the financial assets of the Life insurance subsidiaries are held in gilts, cash, supranationals and investment grade securities which the Companies consider sufficient to meet the liabilities as they fall due. The vast majority of these investments are readily realisable since most of them are quoted in an active market.

When deemed necessary the Group uses derivative instruments to hedge its exposure to foreign exchange risk.

EWIs ensure that assigned risk owners monitor and report the liquidity status for each risk to the liquidity management teams. The EWIs are integral to the Group's liquidity risk management framework and in particular liquidity contingency management. It aims to provide senior management with:

- Indicators of potential liquidity risk, thereby prompting potential mitigating action before liquidity stress arises;
- Clear reporting against the Group's liquidity risk tolerance; and
- A robust escalation process to ensure mitigating action is taken in the event of a liquidity stress.

The ongoing effectiveness of liquidity risk mitigation is monitored on a regular basis by the CFC, and ALCo.

C.4.5 Stress testing

The annual Group Stress and Scenario Testing ('SST') Programme provides forward-looking insight into the uncertainties and key risks across a continuum of plausible stress events (ranging from current conditions to extreme stress events) that could put the business plan or strategic objectives at risk (and in the extreme cause the business model to become unviable). This includes uncertain demand for liquid or tangible assets under stress. Understanding the availability of contingent actions to recover from stress and the potential implications of taking such actions is a key part of each component of the SST Programme.

Regular liquidity stress testing is carried out as part of the SST programme across the course of each year. The key aims of this stress testing are to:

- Quantify the impact of stresses/scenarios on key financial metrics (e.g. tangible asset headroom over defined time horizons, cash generation, dividend paying capacity); and quality of capital;
- Highlight the likely cause of business failure within the reverse stress scenarios and quantify the severity of the stress required to break the business;
- Test the reliability and effectiveness of contingent management actions available to withstand stress events, including the effectiveness of the triggers, monitoring and controls in place across the Group; and
- Support the PGH Board of Directors in making a Viability Statement and other key strategic decisions (e.g. approval of the business plan and dividends).

C.5 Operational risk
C.5.1 Risk exposure

Operational risk is defined as the risk of reduction in earnings and/or value, through financial or reputational loss, from inadequate or failed internal processes and systems, or from people-related or external events. The Group's Risk Universe defines a number of sources of operational risk that the Group is exposed to. From a capital perspective, the main sources of operational risk are Customer Outcomes risk (related to the Group's 'Customer' Risk Universe category), and Model risk (as defined below in C.5.3).

Outside of the operational risks for which the Group holds capital, the key operational risk exposure anticipated over the reporting period relates to the operational capacity of the Group and the capabilities within the business to continue to deliver against the Group's key strategic objectives to its customers and other key stakeholders. This exposure is driven by the significant change agenda that needs to be delivered by both the Group and specific third party outsourcers to support delivery against those strategic objectives.

Where operational risk exposures have the potential to materially influence the level of operational capital held in respect of any current or new risk scenario, the Group operates a trigger process where this is reconsidered on an ongoing basis as new management information becomes available through, for example, internal events; external events; changes to regulations; and changes to the risk profile of the business.

C.5.2 Risk measurement

The risk capital requirement for operational risk is assessed using the Group's Partial Internal Model, from a qualitative perspective the operational risks are regularly reported to enterprise committees and Boards.

As at 31 December 2024, operational risk represented 10% of the Group's total undiversified SCR as shown in the chart at the beginning of section C. Sensitivity analysis and impacts are detailed in Section C.7.2 Sensitivity analysis.

C.5 Operational risk continued

C.5.3 Risk concentration

Operational risk can arise from a number of sources, as defined in the Group's Risk Universe. The largest operational risk capital concentrations are in relation to:

- Regulatory Compliance risk – The risk of having sanctions imposed on individuals or the firm including their 'license to operate' being withdrawn by a regulator, or having conditions applied (retrospectively or prospectively) that constrain the ability to properly meet its customers' and other stakeholders' needs, and also impact the overall economic value of the firm. This includes reductions in earnings and/or value through a combination of regulatory fines, operational costs to fix issues, and other financial or reputational losses.
- Model risk – The potential for adverse consequences from model errors or the inappropriate use of modelled outputs to inform business decisions. These adverse consequences could lead to adverse outcomes for customers, a deterioration in the prudential position, non-compliance with applicable laws and/or regulations, or damage to the Group's reputation. Model risk can also lead to financial loss, as well as qualitative limitations such as the imposition of restrictions on business activities.

Strategic change activity will also increase the dependency on Diligenta, and its parent TCS for the provision of customer administration services, although it should be noted that these services are and will be delivered from a range of onshore and offshore locations that provides some geographic diversification. Concentration risk in this respect is managed in line with the Group's Sourcing Strategy which is refreshed on an annual basis and includes maintenance of a Managed Exit Plan and Strategy for TCS and Diligenta as well as capital requirements considered under Credit Risk in the event of default by any of the Group's material outsourcers.

C.5.4 Risk mitigation

The Group and its insurance subsidiaries seek to manage exposure to operational risk by establishing Key Controls, and supporting practices where appropriate, for each operational risk. These Key Controls are defined within individual operational risk policies and are designed to ensure that the Group operates within its defined risk appetite limits. Regular reporting by risk owners ensures risk exposures are monitored against these agreed limits, taking into account the extent to which the Key Controls are being effectively applied.

Considering the key areas of risk highlighted within sections C.5.1 and C.5.3, the key mitigants in respect of operational capacity are:

- Operational capacity planning has been improved with the support of the Operational Capacity Risk Policy introduced in 2023. The policy links the challenges in sustainably recruiting and retaining the required organisational capabilities given the growth of the Group and external market conditions;
- Production, review and maintenance of operational capacity and business capability indicators that take account of planned change activity and 'business as usual' resource capacity across the Group and its key outsourcers; and
- The use of these indicators to inform decision-making on the prioritisation and timing of our project portfolio.

The delivery of strategic change programmes to utilise third-party partnerships for the provision of customer administration services is key in reducing the operational risk profile of the business, where the current legacy systems are not considered to be sustainable in the long term. The most significant provider of such services to the Group is Diligenta, and its parent TCS. Whilst this will lead to an increase in supplier concentration risk for the Group, it will be delivered on a phased basis and will be mitigated principally by:

- Ongoing maintenance of a Managed Exit Plan and Stressed Exit Strategy for TCS and Diligenta (the Diligenta Contingency Framework), in line with the Group's Sourcing Strategy which is refreshed annually;
- These services are and will be delivered from a range of onshore and offshore locations that provides some geographic diversification;
- Requirement to embed operational resilience within the scope of transformation by the respective projects as part of the relevant change programmes if these are not being fully met under the current (legacy) operating models; and
- Capital requirements are considered under Credit Risk in the event of default by any of the Group's material outsourcers.

The effectiveness of these mitigants and the broader range of Key Controls is monitored and reported on an ongoing basis to relevant Operational management committees and the Group and Life Company Boards.

In addition, the Group also places reliance upon:

- The transfer of operational risk to the Group's third party outsourcers for non-core activities, with the obligations/ liabilities for each outsource arrangement outlined in the relevant contract; and
- The Group's corporate insurance policies which provide cover in respect of a variety of operational risks including product misselling, financial crime, cyber risk and premises.

Key elements of operational risk mitigation are taken account of on a prudent basis against those operational risk capital scenarios in which subject matter experts assess that a valid claim could be made. The approach to corporate insurance in the capital model is conservative, with haircuts made for mismatches, willingness of insurer to pay claims and the residual term of policy from date of a risk event occurring.

C.6 Other material risks

Other material risks which should be highlighted are summarised below. As at 31 December 2024, other material risks represented 1% of the Group's total undiversified SCR as shown in the chart at the beginning of section C.

C.6.1 Tax risk

C.6.1.1 Risk exposure

Tax risk is defined as the risk of reductions in earnings and/or value, through financial or reputational loss, due to an unforeseen tax cost, or by the inappropriate reporting and disclosure of information in relation to taxation.

Potential causes of tax risk are:

- the Group making a material error in its tax reporting;
- incorrect calculation of tax provisions;
- failure to implement the optimum financial arrangements to underpin a commercial transaction; and
- incorrect operation of policyholder tax requirements.

There are tax consequences associated with other risks and these are considered as part of the evaluation of those risks. For example, a crystallisation of market risk may result in lower projected future profits which may in turn result in reduced deferred tax assets and reduced benefit from loss absorbing capacity of deferred taxes in the SCR.

C.6.1.2 Risk measurement

The risk capital requirement for tax risk is assessed using the Group's Partial Internal Model, the methodology considers operational tax risk scenarios assessed by experts within the business.

From a qualitative perspective, the tax risks for the Group and its subsidiaries are regularly reported to management oversight committees.

C.6.1.3 Risk concentration

Sources of tax risk that could give rise to concentrations are:

- political: a drive by UK Government to increase tax revenues and to create a social environment in which tax 'avoidance' is considered contrary to the spirit of the law;
- regulatory: changes to tax law that impact the Group's tax position;
- structuring: opportunities to maximise financial or economic value and protect the value of tax assets;
- operational: tax legislation is complex and the potential for operational errors to occur is significant, both by the Group and its outsourcers in calculating and accounting for direct and indirect taxes; and
- tax penalties: the Tax Authorities have strengthened the penalty regime to levy penalties for non-compliance.

C.6.1.4 Risk mitigation

Tax risk is managed by maintaining an appropriately-staffed tax team who have the qualifications and experience to make judgements on tax issues, augmented by advice from external specialists where required. The Group has a formal tax risk policy, which sets out its risk appetite in relation to specific aspects of tax risk, and which details the controls the Group has in place to manage those risks. These controls are subject to a regular review process.

C.6.2 Strategic risk

C.6.2.1 Risk exposure

The risk of financial failure, or reputational loss, loss of earnings and/or value arising from making poor business decisions, from the substandard execution of decisions, from inadequate resource allocation, or from a failure to respond well to changes in business environment.

C.6.2.2 Risk measurement

Capital is held for Purchase Price Adjustment ('PPA') risk only. The PPA mechanism triggers if the life companies withdraw assets from certain asset managers during a defined period, requiring an adjustment to the purchase price to reflect the projected value of lost asset management fees. The associated risk capital is held at the Group level.

Strategic risk is not a capitalised risk within the Internal Model. To mitigate strategic risks, it is considered more appropriate to implement a course of action to reduce the impact and likelihood of these risks crystallising, rather than relying on holding and releasing capital. Whilst strategic risks could impact the Life companies in respect of, for example, new business or persistency, they are implicitly allowed for within the capital requirements on the Life companies themselves.

C.6.2.3 Risk concentration

Strategic risk-related principal risks and uncertainties noted in the PGH Annual Report and Accounts for the year ended 31 December 2024 include those related to the Group's ability to meet its external obligations being adversely impacted by the failure to execute key strategic change programmes; and the Group being impacted by changes in customer behaviour, economic or political conditions including wider geopolitical instability.

C.6 Other material risks continued
C.6.2 Strategic risk continued

C.6.2.4 Risk mitigation

A strategic risk policy is maintained and reported against regularly, with a particular focus on risk management, stakeholder management, corporate activity and overall reporting against the strategic ambitions of the Life Companies and Group.

C.6.3 Climate Risk

C.6.3.1 Risk Exposure

The Group has classified the risk of 'failure to understand and respond to risks associated with climate change and other environmental, social and governance ('ESG') factors' as a Principal Risk and Uncertainty in the PGH Annual Report and Accounts for the year ended 31 December 2024. The Group and the assets in which it invests could be impacted by physical climate impacts and risks from the transition to a low carbon economy as well as potential opportunities. Descriptions of key climate-related risks are included in C.6.3.3 below.

In recent years, significant progress has been made in establishing the Group's climate governance and risk management processes, as well as developing risk metrics. The management of climate related risks and opportunities is incorporated into the Group's strategy. The Group's climate disclosures, in line with the Task Force on Climate-Related Financial Disclosures ('TCFD'), are outlined in the PGH Annual Report and Accounts for the year ended 31 December 2024. The report also includes planned future priorities across each of the TCFD focus areas.

C.6.3.2 Risk Measurement

Climate risk is considered as a cross-cutting risk as it impacts all areas of the Risk Universe. Specific capital is not currently held for climate risk, but the Group assesses the appropriateness of our capital held through scenario analysis performed as part of the Own Risk Solvency Assessment ('ORSA'). In addition, the Group's Internal Model Governance Policy requires that the impact of climate change related risks is given specific consideration when developing and reviewing Solvency UK methodology and assumptions.

The Group utilises both quantitative and qualitative scenario analysis to assess its exposure to climate risk and assess potential management actions. Climate change stress and scenario tests are used to inform our climate risk appetite, identify risks to the Group strategy and test the adequacy of contingency actions.

Identification of climate-related risks has been embedded into the components of Phoenix's Risk Management Framework which support the identification of risks from a top-down and bottom-up perspective. Key to the understanding of the Group's climate risk exposure is the aforementioned annual stress and scenario testing, ongoing carbon foot printing exercises, horizon scanning and monitoring of progress against targets.

QRMs are in place to monitor the Group's exposure to sustainability risk, including climate risk on a regular basis. These include metrics covering the investment portfolio and the wider Group to ensure coverage across the various avenues through which climate risk may emerge.

C.6.3.3 Risk Concentration

The key sources of climate-related risks are summarised below.

Risk Source	Description
Transition Risk	The risk related to the transition to a low carbon economy. This includes market shifts on investments in high carbon sectors such as oil and gas, regulation and policy changes, litigation and reputational damage.
Physical Risk	The risk related to the physical impacts of climate change. This includes: • The likely impact to investments in sectors with real assets e.g. real estate and certain infrastructure investments, and second-order impacts to investments in other sectors. • Impacts on Group's operations due to potential damage or disruption to the business, workforce and supply chains from acute weather events and longer-term chronic changes to the climate.

C.6 Other material risks continued

C.6.3 Climate Risk continued

C.6.3.4 Risk Mitigation

By adopting a proactive approach towards climate change, the Group believes its actions can help to mitigate against climate-related risks. Key mitigating actions include:

- The Group has a 2050 net zero carbon commitment in place for its investment portfolio and has set interim decarbonisation targets for 2025 and 2030 to ensure exposure to climate-risk is reduced in an orderly manner. Whilst the Group believes it is on track to meet the 2025 targets under most scenarios, there is a risk of not meeting the 2030 and 2050 targets. The Group is taking direct action but meeting the ambition to be a net zero business by 2050 is becoming increasingly dependent on action by governments and the wider economy. The Group pursues a policy of engagement and stewardship with counterparties through asset managers and has an approved Group exclusion policy in place.
- The Group pursues a policy of engagement and stewardship with counterparties through asset managers and has an approved Group exclusion policy in place.
- The Group ensures that robust business continuity and operational resilience frameworks consider all office locations, staff, systems, and processes. Continued implementation of energy efficiency and carbon reduction measures supports the 2025 net zero commitment for operations.
- Engagement supports our key suppliers to make phased reductions in emissions to align with our commitments and increased screening of new suppliers helps ensure that they meet our sustainability standards.
- The Group supports climate change-aligned organisations such as the Carbon Disclosure Project and works collaboratively with peers and industry bodies.
- The Group is working with investees and asset managers to drive emissions reduction and reduce climate risk in customer and shareholder investment portfolios.
- The Group offers and continues to develop its range of investment solutions with decarbonising strategies for our customers, including the Sustainable Multi Asset Range in which approximately 2 million customers are invested and the launch of climate aware index series that aim to increase the resilience of customers' portfolios to climate change related transition risks.

C.7 Any other information

C.7.1 Prudent person principle requirements

The Prudent Person Principle in under Solvency UK sets out the principles that should apply in making investment decisions. In particular, this requires that the Group and its insurance subsidiaries should only invest in assets and instruments whose risks they can properly identify, measure, monitor, manage, control and report, and appropriately take into account when assessing solvency needs.

The Prudent Person Principle is implemented through the RMF as part of the Group Policy Framework of which Minimum Control Standards ('MCS') have been designed to ensure compliance. The MCS set requirements for the governance of investment mandates (including consistency with the desired investment objective as described in the customer literature), responsibility for strategic assets allocation, asset / liability matching, use of derivatives, diversification of invested assets and contractual arrangements between the Life Companies and the Asset Managers. Compliance with the relevant policies is monitored on an ongoing basis.

More details on how the Group achieves compliance with the requirements (in particular, having the appropriate risk management capability for the invested assets, investments appropriate for the nature and term of the liabilities, use of derivatives for risk mitigation, diversification and concentration risk) are described in sections C.2 and C.3.

C.7 Any other information continued
C.7.2 Sensitivity analysis
As part of the Group's internal risk management processes to understand the impact that changes in operating conditions have upon the Group's capital positions, the impact of a number of risk scenarios on the SCR is monitored which includes underwriting, market, and credit risks. The results of such stress testing on the SII Surplus and regulatory solvency coverage ratio are provided below.

	PLL		RAL		RLL		PLCL		PGH Group	
	SII Surplus	Regulatory ratio	SII Surplus	Regulatory ratio	SII Surplus	Regulatory ratio	SII Surplus	Regulatory ratio	SII Surplus	Regulatory ratio
	(£m)	(%)	(£m)	(%)	(£m)	(%)	(£m)	(%)	(£m)	(%)
Base: 1 January 2025[1]	**2,348**	**149%**	**814**	**177%**	**152**	**1,269%**	**131**	**179%**	**3,515**	**151%**
Underwriting Risks										
Following 6% decrease in annuitant mortality rates[2]	2,129	145%	672	163%	152	1,269%	127	177%	3,145	145%
Following 10% increase in assurance mortality rates	2,280	148%	792	175%	152	1,269%	131	181%	3,425	150%
Following a 10% change in lapse rates[3]	2,252	148%	767	173%	152	1,269%	126	177%	3,367	150%
Market Risks										
Following a 20% fall in equity markets	2,330	149%	834	189%	152	1,269%	142	199%	3,533	152%
Following a 12% fall in property values[4]	2,157	145%	804	176%	152	1,269%	131	179%	3,313	148%
Following a currency appreciation[5]	2,344	150%	816	180%	152	1,269%	132	178%	3,423	151%
Following a currency depreciation[5]	2,392	149%	797	173%	152	1,269%	129	180%	3,675	152%
Following a 100bps interest rates rise[6]	2,447	156%	820	182%	152	1,269%	130	177%	3,654	157%
Following a 100bps interest rates fall[6]	2,331	145%	799	172%	152	1,269%	130	179%	3,436	146%
Credit Risks										
Following credit spread widening[7]	2,283	148%	889	191%	152	1,269%	125	176%	3,453	150%
Following credit defaults & downgrades[8]	2,064	143%	756	170%	152	1,269%	131	179%	3,170	145%

1 Illustrative impacts assume changing one assumption on 1 January 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.
2 Only applied to the annuity portfolio.
3 Assumes most onerous impact of a 10% increase/decrease in lapse rates across different product groups.
4 Property stress represents an overall average fall in property values of 12%.
5 A 15% weakening/10% strengthening of GBP exchange rates against other currencies.
6 Assumes the impact of a mechanical recalculation of transitionals 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.
7 Credit stress varies by rating and term and is equivalent to an average 127bps spread widening. It assumes the impact of a mechanical recalculation of transitionals and makes no allowance for the cost of defaults/downgrades.
8 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.

RLL's sensitivity to changes in these assumptions is limited as it has in place external reinsurance arrangements and an intra-group reinsurance agreement with RAL, which transfers the majority of insurance and financial risks out of the company.

For operational risk, stress testing at the 99.5th percentile confidence level is used to determine the operational risk capital requirements, using the Partial Internal Model with permission from the PRA. Section C.5.2 contains further details of operational risk measurement.

The table above demonstrates the Group's resilience to such sensitivities with longevity and credit risk being its largest exposures, driven by the Group's large annuity portfolio. Regular sensitivity testing is monitored to ensure the Group and the Life Companies are operating within risk appetite limits. In addition, as part of the Group's Capital Risk Appetite Framework regular stress testing is carried out to validate the adequacy of capital buffers across the Life Companies and Group and ensures that the Group is operating within its Capital Risk Appetite statement, as articulated in the Group's Risk Appetite Framework (see B.3.2).

C.7 Any other information continued
C.7.2 Sensitivity analysis continued

As can be seen from the results, the Group and its insurance subsidiaries are resilient to such scenarios, with the largest exposure being to a decrease in annuitant mortality rates.

C.7.3 Exposure to insurance special purpose vehicles

The Group and its insurance subsidiaries had no exposure to insurance special purpose vehicles, as defined by the regulations, as at 31 December 2024.

C.7.4 Exposure to off-balance sheet positions

The Group and its insurance subsidiaries had no exposure to off-balance sheet positions as at 31 December 2024.

In this section

Valuation for solvency purpose

Valuation for solvency purpose

This section describes the bases, methods and main assumptions used in the valuation of assets, technical provisions and other liabilities under Solvency UK for the PGH Group and its insurance subsidiaries.

The valuation principle applied under Solvency UK is that assets and liabilities are valued at the amounts for which they could be exchanged between knowledgeable and willing parties in an arm's length transaction.

Unless otherwise stated in section D.1 (assets), D.2 (technical provisions) and D.3 (other liabilities), assets and liabilities under Solvency UK are valued in accordance with the Group's and the insurance subsidiaries' statutory accounting policies. For the Group, PLCL and PA(GI), the statutory accounting basis is IFRS; for PLL, RAL, RLL and SLAL, the statutory accounting basis is UK GAAP.

The table below provides a summary of the PGH Group Solvency II excess of assets over liabilities compared with the excess of assets over liabilities on a statutory valuation basis. Where the Solvency UK valuation of assets and liabilities is the same as the statutory accounts valuation basis, a description of the bases, methods and main assumptions can be found, for the Group, in the relevant notes to the PGH Annual Report and Accounts for the year ended 31 December 2024, and for the insurance subsidiaries, in the relevant notes to the financial statements for the year ended 31 December 2023. There have been no changes in relevant accounting policies applied by the insurance subsidiaries since the approval of the financial statements for the year ended 31 December 2023. Where there are valuation differences, further detail has been provided in sections D.1 for assets, D.2 for technical provisions and D.3 for other liabilities.

For the year ended 31 December 2024	Assets (D.1) £m	Technical provisions (D.2) £m	Other liabilities (D.3) £m	Solvency UK excess of assets over liabilities £m	IFRS excess of assets over liabilities[1] £m	Difference £m
PGH Group	**303,122**	**(274,858)**	**(17,888)**	**10,376**	**1,707**	**8,669**

1 The statutory accounts value for excess of assets over liabilities corresponds to total equity of £2,246 million less non-controlling interests of £539 million in the Group's IFRS statement of consolidated financial position for the year ended 31 December 2024.

The statutory accounts value of assets and liabilities presented in this section reflects the recognition basis and valuation methods used in the preparation of the financial statements of the Group and the relevant insurance subsidiaries. To facilitate comparison between the two sets of numbers, both the statutory accounts values and the Solvency UK values have been shown throughout this section in accordance with the Solvency UK balance sheet presentation format. This means that the statutory accounts values may not directly agree to corresponding line items in the respective financial statements.

The Balance Sheet QRT IR.02.01.02 is included in Appendix 1.1 for the PGH Group, Appendix 2.1 for PLL, Appendix 3.1 for RAL, Appendix 4.1 for RLL, Appendix 5.1 for PLCL, Appendix 6.1 for SLAL and Appendix 7.1 for PA(GI).

The valuation of the Group's assets, technical provisions and other liabilities for solvency purposes are consistent with those used by the insurance subsidiaries except where differences arise due to consolidation. The value of technical provisions under Solvency UK is equal to the sum of a best estimate liability and a risk margin (unaudited for PGH Group, PLL, SLAL and PA(GI)) less the transitional measure on technical provisions (unaudited).

Consolidation approach

For the PGH Group, the Solvency UK balance sheet has been prepared using the default accounting consolidation-based method ('Method 1'), which differs from the approach applied in the preparation of the Group's IFRS financial statements. The key difference is that under Solvency UK, only the Group's insurance undertakings, insurance holding companies and ancillary services undertakings are fully consolidated on a line by line basis.

Subsidiary undertakings that are classified as UCITS management companies, financial institutions and non-regulated undertakings carrying out financial activities are reflected as the proportional share of own funds determined in accordance with the relevant sectoral rules. These undertakings are included within the 'Holdings in related undertakings, including participations' line of the Group's Solvency UK balance sheet.

All other subsidiaries, referred to as Residual Related Undertakings ('RRUs'), are included in the 'Holdings in related undertakings, including participations' line on the Group's Solvency UK balance sheet measured using either quoted market prices, or where such a price is not available, the adjusted equity method. The adjusted equity method requires the participation to be valued at the Group's share of the excess of assets over liabilities calculated on a Solvency UK basis. Intra-group transactions between RRUs and other subsidiary undertakings are eliminated on consolidation.

The approach described above differs from the IFRS consolidation approach, whereby all subsidiaries are fully consolidated on a line by line basis. Further details on the valuation principles of 'Holdings in related undertakings, including participations' line are included in section D.1.2.

Valuation for solvency purpose continued

Held for sale

The sale of the UK Trustee Investment Plan ('TIP') business within PLL was effected through a Part VII transfer that completed in March 2025. In the consolidated PGH Group financial statements, the assets and liabilities associated with this business were therefore classified as a disposal group held for sale as at 31 December 2024 in accordance with IFRS. Accordingly, the disposal group was measured at fair value less costs to sell. Under Solvency UK, this held for sale classification is not applied.

Participations

Under Solvency UK, a participation exists where there is a holding, directly or indirectly, of 20% of more of the voting rights or capital of an undertaking. All participations are reported in the 'Holdings in related undertakings, including participations' line of the Solvency UK balance sheet. This differs to the presentation in the statutory balance sheets, where all unconsolidated investments regardless of the proportion owned are presented in accordance with their nature, typically as either Collective investment schemes, Equities or Investments in associates.

D.1 Assets

D.1.1 Introduction

The table below sets out the Solvency UK value of assets along with the valuation differences compared to the statutory accounts value for the Group and the insurance subsidiaries within the scope of this report.

D.1.1.1 Assets – PGH Group

Assets as at 31 December 2024	Note	Solvency UK value £m	Statutory accounts value £m	Difference £m
Goodwill	1	–	10	(10)
Deferred acquisition costs	2	–	98	(98)
Intangible assets	2	–	1,774	(1,774)
Deferred tax assets	3	420	146	274
Pension benefit surplus	4	37	37	–
Property, plant and equipment held for own use	5	74	90	(16)
Investments (other than assets held for index-linked and unit-linked contracts)	6	92,267	92,428	(161)
Property (other than for own use)		974	974	–
Holdings in related undertakings, including participations		35,225	35,386	(161)
Equities		1,563	1,563	–
Bonds		47,538	47,538	–
Collective Investment Undertakings		4,697	4,697	–
Derivatives		2,260	2,260	–
Deposits other than cash equivalents		10	10	–
Assets held for index-linked and unit-linked contracts	7	182,742	182,742	–
Loans and mortgages	8	7,759	7,759	–
Reinsurance recoverables	9	15,801	17,835	(2,034)
Insurance and intermediaries receivables	10	283	283	–
Reinsurance receivables	10	127	127	–
Receivables (trade, not insurance)	11	2,912	2,975	(63)
Cash and cash equivalents	12	700	700	–
Total assets		303,122	307,004	(3,882)

D.1 Assets continued
D.1.1 Introduction continued
D.1.1.2 Assets – PLL

Assets as at 31 December 2024	Note	Solvency UK value £m	Statutory accounts value £m	Difference £m
Deferred acquisition costs	2	–	211	(211)
Intangible assets	2	–	97	(97)
Deferred tax assets	3	23	29	(6)
Property, plant and equipment held for own use	5	8	8	–
Investments (other than assets held for index-linked and unit-linked contracts)	6	71,123	71,123	–
Property (other than for own use)		643	643	–
Holdings in related undertakings, including participations		28,218	28,218	–
Equities		481	481	–
Bonds		37,217	37,217	–
Collective Investment Undertakings		2,565	2,565	–
Derivatives		1,999	1,999	–
Assets held for index-linked and unit-linked contracts	7	124,119	124,119	–
Loans and mortgages	8	5,575	5,575	–
Reinsurance recoverables	9	14,685	16,319	(1,634)
Insurance and intermediaries receivables	10	267	267	–
Reinsurance receivables	10	79	79	–
Receivables (trade, not insurance)	11	2,450	2,522	(72)
Cash and cash equivalents	12	484	484	–
Total assets		218,813	220,833	(2,020)

Valuation for solvency purpose continued

D.1 Assets continued
D.1.1 Introduction continued
D.1.1.3 Assets – RAL

Assets as at 31 December 2024	Note	Solvency UK value £m	Statutory accounts value £m	Difference £m
Intangible assets	2	–	398	(398)
Property, plant and equipment held for own use	5	3	3	–
Investments (other than assets held for index-linked and unit-linked contracts)	6	16,269	16,269	–
Property (other than for own use)		307	307	–
Holdings in related undertakings, including participations		4,629	4,629	–
Equities		984	984	–
Bonds		7,531	7,531	–
Collective Investment Undertakings		2,685	2,685	–
Derivatives		133	133	–
Assets held for index-linked and unit-linked contracts	7	31,342	31,342	–
Loans and mortgages	8	2,152	2,152	–
Reinsurance recoverables	9	200	381	(181)
Insurance and intermediaries receivables	10	95	95	–
Reinsurance receivables	10	15	15	–
Receivables (trade, not insurance)	11	475	475	–
Cash and cash equivalents	12	65	65	–
Total assets		50,616	51,195	(579)

D.1.1.4 Assets – RLL

Assets as at 31 December 2024	Note	Solvency UK value £m	Statutory accounts value £m	Difference £m
Deferred acquisition costs	2	–	5	(5)
Investments (other than assets held for index-linked and unit-linked contracts)	6	408	408	–
Bonds		51	51	–
Collective Investment Undertakings		357	357	–
Assets held for index-linked and unit-linked contracts	7	5,314	5,314	–
Loans and mortgages	8	98	98	–
Reinsurance recoverables	9	182	493	(311)
Reinsurance receivables	10	29	29	–
Receivables (trade, not insurance)	11	6	6	–
Cash and cash equivalents	12	5	5	–
Total assets		6,042	6,358	(316)

D.1 Assets continued
D.1.1 Introduction continued
D.1.1.5 Assets – PLCL

Assets as at 31 December 2024	Note	Solvency UK value £m	Statutory accounts value £m	Difference £m
Deferred acquisition costs	2	–	1	(1)
Deferred tax assets	3	–	30	(30)
Pension benefit surplus	4	17	17	–
Investments (other than assets held for index-linked and unit-linked contracts)	6	2,186	2,186	–
Property (other than for own use)		23	23	–
Holdings in related undertakings, including participations		1	1	–
Equities		82	82	–
Bonds		2,048	2,048	–
Collective Investment Undertakings		5	5	–
Derivatives		17	17	–
Deposits other than cash equivalents		10	10	–
Assets held for index-linked and unit-linked contracts	7	4,901	4,901	–
Loans and mortgages	8	13	13	–
Reinsurance recoverables	9	1,371	1,424	(53)
Insurance and intermediaries receivables	10	–	–	–
Reinsurance receivables	10	5	5	–
Receivables (trade, not insurance)	11	43	43	–
Cash and cash equivalents	12	8	8	–
Total assets		8,544	8,628	(84)

D.1.1.6 Assets – SLAL

Assets as at 31 December 2024	Note	Solvency UK value £m	Statutory accounts value £m	Difference £m
Investments (other than assets held for index-linked and unit-linked contracts)	6	4	4	–
Collective Investment Undertakings		4	4	–
Total assets		4	4	–

D.1.1.7 Assets – PA(GI)

Assets as at 31 December 2024	Note	Solvency UK value £m	Statutory accounts value £m	Difference £m
Investments (other than assets held for index-linked and unit-linked contracts)	6	4	4	–
Collective Investment Undertakings		4	4	–
Receivables (trade, not insurance)	11	17	17	–
Total assets		21	21	–

D.1 Assets continued

D.1.2 Valuation bases, methods and main assumptions: Assets

The Group's Solvency UK valuation principles, including the bases, methods and main assumptions, for each class of asset are set out below. Except for asset classes where the statutory accounts value column displays a difference, the valuation methods used for the statutory accounts are consistent with the valuation methods under Solvency UK. Furthermore, unless stated otherwise, the statutory valuation basis under IFRS and under UK GAAP are the same. Further details on the Group's valuation principles are set out in the respective notes to the Group's 2024 financial statements. There have been no significant changes to the valuation principles set out below during the year.

Note	Balance sheet item	Valuation principles
1	**Goodwill**	Under Solvency UK, goodwill is valued at £nil. In the statutory accounts, goodwill is carried on the balance sheet at initially recognised amounts less accumulated impairment.
2	**Deferred acquisition costs and intangible assets (other than goodwill)**	Under Solvency UK, other intangible assets are valued at £nil unless they can be sold separately and it can be demonstrated that there is value for the same or similar assets in an active market. None of the other intangible assets in the Group have been assessed as meeting these criteria. Deferred acquisition costs and acquired in-force business intangibles are valued at £nil under Solvency UK because the cash flows associated with these assets that are recognised in the statutory accounts are included in the measurement of technical provisions under Solvency UK.
3	**Deferred tax assets/liabilities**	Details on the valuation differences between Solvency UK and the statutory accounts, and origin of the deferred tax assets, are provided in section D.1.3.
4	**Pension benefit surplus/obligations**	The Group's four principal defined benefit staff pension schemes are valued in accordance with IAS 19 *Employee benefits* under both Solvency UK and IFRS. Schemes in surplus are included in the 'pension benefit surplus' line for the PGH Group; schemes in deficit are included in the 'pension benefit obligations' line. Full details on all pension schemes and information on the IAS 19 valuation basis can be found in note G1 of the Group's 2024 financial statements.
5	**Property, plant and equipment (held for own use)**	Owner-occupied property is stated in the statutory accounts at the revalued amount, being its fair value at the date of the revaluation. There is no difference between the statutory accounts and Solvency UK valuations. Leased assets, which principally comprise rented office premises, are recognised in the statutory accounts in the form of a right of use asset under Property, plant and equipment (held for own use) with a corresponding liability within Payables (trade, not insurance). Right of use assets are measured in the statutory accounts at cost less accumulated depreciation and lease liabilities are held at amortised cost. Under Solvency UK, both the right of use assets and lease liabilities are valued consistently with the statutory accounts on grounds of materiality. Other classes of property, plant and equipment are measured at cost less accumulated depreciation in the statutory accounts. Under Solvency UK, a £nil value has been attributed to certain fixtures and fittings and equipment in use by the Group where it has been assessed that there is no active market for these assets. The remaining items of property, plant and equipment are valued consistently with the statutory accounts on grounds of materiality.

D.1 Assets continued

D.1.2 Valuation bases, methods and main assumptions: Assets continued

Note	Balance sheet item	Valuation principles
6	**Investments (other than assets held for index-linked and unit-linked contracts)**	**Investments in equities, bonds, collective investment undertakings, derivatives and property (other than for own use):** These assets are measured at fair value under both the statutory accounts and Solvency UK bases. Further details on the valuation methodology can be found in notes E1, E2, E3 and G4 of the Group's 2024 financial statements. Section D.4.1 includes information on financial investments and property (other than for own use) that are fair valued using alternative valuation methodologies. **Holdings in related undertakings, including participations:** The following participations are included within this line item: - Holdings in collective investment undertakings in which the Group's interest is greater than 20% are reclassified from 'Collective Investment Undertakings' to 'Holdings in related undertakings, including participations and measured at fair value. - A valuation difference arises in respect of the Group's interest in Patria Private Equity Trust plc ('PPET') (formerly known as abrdn Private Equity Opportunities Trust plc), a listed investment trust that is classified as a subsidiary undertaking and is therefore consolidated under IFRS. Under Solvency UK, PPET is classified as a RRU and the value of the Group's participation is based on the quoted market price. This is £179 million lower than the Group's share of PPET's IFRS net assets reflected in the statutory accounts value. As the interest in PPET is held by the Group's policyholder funds, there is an equal and opposite valuation difference arising between IFRS and Solvency UK technical provisions. - The Phoenix Group Employee Benefit Trust ('EBT'), an undertaking that holds shares in PGH for the purposes of the Group's employee share schemes. Own shares are valued at fair value which is based on the quoted market price of PGH shares at each reporting date. Further details on the treatment of own shares within Own Funds are included in section E.1. In contrast, under IFRS where the EBT acquires shares in PGH or obtains rights to purchase its shares, the consideration paid is shown as a deduction from owners' equity. This results in a £18 million valuation difference between Solvency UK and IFRS. - Subsidiary undertakings classified as RRUs for which quoted market prices are not available have applied the adjusted equity valuation method. The adjusted equity method requires participations to be valued based on the Group's share of the excess of assets over liabilities of the related undertaking, determined in accordance with Solvency UK valuation principles. No alternative valuation methods are used for valuing the RRUs. - The Group's UCITS management company and non-regulated undertakings carrying out financial activities are valued on a local sectoral basis and notional sectoral basis respectively. **Deposits other than cash and cash equivalents:** Deposits other than cash and cash equivalents are valued at par and comprise short-term deposits that cannot be used to make payments before a specific maturity date or without any penalty or restriction. There is no difference between the statutory and Solvency UK valuations. Any investments related to unit-linked contracts are included as 'assets held for index-linked and unit-linked contracts (see note 7).
7	**Assets held for index-linked and unit-linked contracts**	Assets held for index-linked and unit-linked funds are measured based on the fair value of the underlying assets and liabilities (other than technical provisions) held within such funds. The valuation methods are consistent between the statutory and Solvency UK valuation. In the IFRS financial statements, assets and liabilities backing index-linked and unit-linked contracts are presented on a line-by-line basis. On the Solvency UK balance sheet, these assets and liabilities are reported in a single line in 'assets held for index-linked and unit-linked contracts', except for deferred tax, which is reported in 'deferred tax assets' or 'deferred tax liabilities'.
8	**Loan and mortgages**	Loans and mortgages are valued at fair value. For the majority of the loans, including equity release mortgage ('ERM') loans and commercial real estate loans, fair value is determined using alternative valuation methods. Further details are included in section D.4.1. There is no difference between the statutory and Solvency UK valuations.

Valuation for solvency purpose continued

D.1 Assets continued
D.1.2 Valuation bases, methods and main assumptions: Assets continued

Note	Balance sheet item	Valuation principles
9	**Reinsurance recoverables**	The value of reinsurance recoverables is dependent on the expected claims and benefits arising under the related reinsured policies. To the extent that the Solvency UK valuation of the related technical provisions differs from the statutory valuation, the valuation of the related reinsurance recoverables will also be impacted. Further details on the calculation approach for Solvency UK reinsurance recoverables are included in section D.2.8.
10	**Insurance and intermediaries receivables, Reinsurance receivables**	Given their short-term nature, the carrying amount in the statutory accounts is considered to represent the fair value for these assets under Solvency UK. The balances only include amounts past due as amounts not yet due are included in the cash flow projections of technical provisions and reinsurance recoverables.
11	**Receivables (trade, not insurance)**	Receivables (trade, not insurance) are valued consistently for both the statutory and Solvency UK valuation, with the exception of prepayments. For the statutory valuation, a prepayment asset is recognised in respect of payments for expenses that relate to future periods. No value is assigned to prepayments under Solvency UK as they cannot be sold separately to a third party.
12	**Cash and cash equivalents**	Cash and cash equivalents are valued at par and comprise of cash balances that are usable for all forms of payments without penalty or restriction. There is no difference between the statutory and Solvency UK valuations.

D.1.3 Analysis of deferred tax
Deferred tax assets on the Solvency UK balance sheet are recognised by reference to expected future taxable profits and valued based on the difference between the carrying value of the asset on the balance sheet and its tax base. Deferred tax assets and liabilities are recognised separately to the extent that the deferred tax asset cannot be offset against corresponding deferred tax liabilities. Deferred tax assets and deferred tax liabilities are only offset if there is a legally enforceable right to do so and they relate to taxes levied by the same tax authority on the same taxable undertaking. They are comprised as shown in the table below. Deferred tax assets are treated as Tier 3 capital in Basic Own Funds for the PGH Group and its insurance subsidiaries. Further details are set out in section E.1.

The standard rate of UK corporation tax for the accounting period is 25% (2023: 23.5%).

The tables below summarise the Solvency II deferred tax assets and liabilities compared to the statutory accounts value for the Group and its insurance subsidiaries for the year ended 31 December 2024. SLAL and PA(GI) have no deferred tax assets and liabilities.

D.1 Assets continued
D.1.3 Analysis of deferred tax continued

Deferred tax assets

Item	PGH Group £m
Trade and capital losses carried forward	532
Expenses and deferred acquisition costs carried forward	272
Accelerated capital allowances	30
Other temporary differences	40
Offset of deferred tax asset and liabilities in Solvency UK	(454)
Total Solvency UK deferred tax assets	420
Reversal of offset of deferred tax asset and liabilities in Solvency UK	454
Valuation adjustments	(39)
Offset of deferred tax asset and liabilities in IFRS	(689)
Total statutory accounts value of deferred tax assets	146

Deferred tax liabilities

Item	PGH Group £m
Technical provisions	(1,455)
Shareholder future bonus transfers	(156)
Unrealised gains on investments	(400)
Pension scheme surplus	(57)
Acquired on in-force business	43
Other temporary differences	(71)
Offset of deferred tax asset and liabilities in Solvency UK	454
Total Solvency UK deferred tax liabilities	(1,642)
Reversal of offset of deferred tax asset and liabilities in Solvency UK	(454)
Technical provisions	1,386
Shareholder future bonus transfers	156
Acquired on in-force business	(357)
Other temporary differences	(28)
Offset of deferred tax asset and liabilities in IFRS	689
Total statutory accounts value of deferred tax liabilities	(250)

D.1 Assets continued
D.1.3 Analysis of deferred tax continued
Deferred tax assets

Item	PLL £m	RAL £m	RLL £m	PLCL £m
Trade and capital losses carried forward	118	–	–	20
Expense and deferred acquisition costs carried forward	184	28	3	12
Accelerated capital allowances	3	7	–	–
Other temporary differences	26	–	–	10
Offset of deferred tax asset and liabilities in Solvency UK	(308)	(35)	(3)	(42)
Total Solvency UK deferred tax assets	23	–	–	–
Reversal of offset of deferred tax asset and liabilities in Solvency UK	308	35	3	42
Valuation adjustments	(53)	–	(1)	(12)
Offset of deferred tax asset and liabilities in UK GAAP/IFRS	(249)	(35)	(2)	–
Total statutory accounts value of deferred tax assets	29	–	–	30

Deferred tax liabilities

Item	PLL £m	RAL £m	RLL £m	PLCL £m
Technical provisions	(1,086)	(300)	(8)	(31)
Shareholder future bonus transfers	(104)	(53)	–	–
Unrealised gains on investments	(162)	(149)	(57)	(27)
Pension scheme surplus	(3)	–	–	–
Acquired on in-force business	–	43	–	–
Other temporary differences	(81)	(7)	–	–
Offset of deferred tax asset and liabilities in Solvency UK	308	35	3	42
Total Solvency UK deferred tax liabilities	(1,128)	(431)	(62)	(16)
Reversal of offset of deferred tax asset and liabilities in Solvency UK	(308)	(35)	(3)	(42)
Technical provisions	1,086	300	8	31
Shareholder future bonus transfers	104	53	–	–
Acquired on in-force business	(17)	–	–	–
Other temporary differences	14	(37)	1	12
Offset of deferred tax asset and liabilities in UK GAAP/IFRS	249	35	2	–
Total statutory accounts value of deferred tax liabilities	–	(115)	(54)	(15)

Deferred tax assets are recognised for tax losses carried forward only to the extent that realisation of the related tax benefit is probable.

PGH Group deferred tax assets have not been recognised in respect of:	PGH Group £m
Tax losses carried forward	50
Deferred tax assets not recognised on capital losses	116

D.1 Assets continued
D.1.3 Analysis of deferred tax continued

Life company deferred tax assets have not been recognised in respect of:	PLL £m	RAL £m	RLL £m	PLCL £m
Deferred tax assets not recognised on capital losses	–	51	–	–

At 31 December 2023, the group also had £12 million of gross BLAGAB (life business) trading losses that were projected to be utilised, however no value was attributed to these deferred tax assets given the interaction with other deductible temporary differences. At 31 December 2024, the quantum of BLAGAB trading losses that no value is attributed to is nil.

There is a technical matter which is currently being discussed with HMRC in relation to the L&G insurance business transfer to ReAssure Limited. These discussions are not sufficiently progressed at this stage for recognition of any potential tax benefit arising.

D.1.4 Leases
The Group holds investment properties which are let out to lessees under operating leases. Where investment property is leased out by the Group, rental income from these leases is recognised in the statutory income statement on a straight-line basis over the period of the lease.

Certain investment properties held by the life companies possess a ground rent obligation. Under IFRS 16, this gives rise to both a right-of-use asset and a lease liability. The right-of-use asset associated with the ground rent obligation is valued at fair value and is included within the total investment property valuation. The value of the ground rent right-of-use asset as at 31 December 2024 was £8 million (2023: £15 million).

Lease arrangements where the Group acts as the lessee are described in section A.4.2.

D.2 Technical provisions
D.2.1 Introduction

This section provides the following information on the Solvency UK technical provisions:

- valuation of Solvency UK technical provisions split by lines of business ('LoB');
- a description of the bases, methodology and main assumptions used in the valuation of the Solvency UK technical provisions;
- a quantitative and qualitative explanation of material differences between the valuations under Solvency UK and statutory technical provisions; and
- a description of the level of uncertainty in Solvency UK technical provisions.

Solvency UK technical provisions are calculated as the sum of the Best Estimate Liabilities ('BEL') and the Risk Margin ('RM') less the Transitional Measure on Technical Provisions ('TMTP'), calculated in line with PRA approvals.

The Matching Adjustment is applied to the risk-free curve used for discounting liabilities in the Matching Adjustment portfolios only and has the effect of reducing technical provisions. The Group has PRA approval to apply a Matching Adjustment to all liabilities in the PLL and RAL Matching Adjustment portfolios.

Of the Group's insurance subsidiaries, regulatory approval is in place from the PRA for the application of the Volatility Adjustment to certain lines of business in RAL only.

No allowance is made for the transitional measure on interest rates.

The PRA have also approved the use of TMTP applied to liabilities in PLL and RAL. Transitional measures are aimed at providing a smooth transition between the technical provisions under the previous Solvency I regulatory regime and the technical provisions under the Solvency UK regulatory regime.

Further details on the application of Matching Adjustment, TMTP and Volatility Adjustments can be found in sections D.2.7.1 – D.2.7.3.

D.2.2 Technical provisions by Line of Business

The LoBs relevant to each insurance subsidiary are set out in the table below. PA(GI) held no technical provisions as at 31 December 2024.

	PLL	PLCL	RAL	RLL	SLAL
Insurance with-profit participation	✓	✓	✓	–	–
Index-linked and unit-linked insurance	✓	✓	✓	✓	✓
Health insurance	✓	–	✓	✓	–
Other life insurance	✓	✓	✓	✓	–
Health reinsurance	✓	–	–	–	–
Life reinsurance	✓	✓	✓	✓	–

The tables below summarise the Group and insurance subsidiaries' technical provisions as at 31 December 2024 by Solvency UK LoB. The amount of BEL, risk margin and TMTP are shown separately, as applicable.

D.2.2.1a Technical provisions by Line of Business – PGH Group

31 December 2024 Technical provisions by Line of Business	Insurance with-profit participation £m	Index-linked and unit linked insurance £m	Health insurance £m	Other life insurance £m	Accepted reinsurance £m	Total technical provisions £m
Best Estimate Liabilities	41,312	188,280	270	44,893	683	275,438
Risk margin	143	380	6	318	–	847
TMTP adjustment	(453)	(461)	(19)	(494)	–	(1,427)
Gross technical provisions	40,995	188,199	257	44,717	683	274,858
Reinsurance	(7)	(9,451)	(179)	(6,164)	–	(15,801)
Net technical provisions	41,002	178,748	78	38,553	683	259,057

Valuation for solvency purpose continued

D.2 Technical provisions continued

D.2.2 Technical provisions by line of business continued

D.2.2.2a Technical provisions by Line of Business – PLL

31 December 2024 Technical provisions by Line of Business	Insurance with-profit participation £m	Index-linked and unit linked insurance £m	Health insurance £m	Other life insurance £m	Accepted reinsurance £m	Total technical provisions £m
Best Estimate Liabilities	23,281	131,181	48	35,304	11,455	201,269
Risk margin	101	256	2	218	–	577
TMTP adjustment	(436)	(390)	(4)	(342)	–	(1,172)
Gross technical provisions	22,946	131,047	46	35,180	11,455	200,674
Reinsurance	(1)	(9,155)	(51)	(4,897)	(581)	(14,685)
Net technical provisions	22,945	121,892	(5)	30,283	10,874	185,989

D.2.2.3a Technical provisions by Line of Business – RAL

31 December 2024 Technical provisions by Line of Business	Insurance with-profit participation £m	Index-linked and unit linked insurance £m	Health insurance £m	Other life insurance £m	Accepted reinsurance £m	Total technical provisions £m
Best Estimate Liabilities	7,388	30,956	83	7,852	(23)	46,256
Risk margin	11	70	3	97	–	181
TMTP adjustment	(17)	(71)	(15)	(152)	–	(255)
Gross technical provisions	7,382	30,955	71	7,797	(23)	46,182
Reinsurance	(4)	(368)	–	172	–	(200)
Net technical provisions	7,378	30,587	71	7,969	(23)	45,982

D.2.2.4a Technical provisions by Line of Business – RLL

31 December 2024 Technical provisions by Line of Business	Insurance with-profit participation £m	Index-linked and unit linked insurance £m	Health insurance £m	Other life insurance £m	Accepted reinsurance £m	Total technical provisions £m
Best Estimate Liabilities	–	4,889	(1)	431	122	5,441
Risk margin	–	2	–	–	–	2
Gross technical provisions	–	4,891	(1)	431	122	5,443
Reinsurance	–	244	5	(431)	–	(182)
Net technical provisions	–	5,135	4	–	122	5,261

D.2 Technical provisions continued
D.2.2 Technical provisions by line of business continued
D.2.2.5a Technical provisions by Line of Business – PLCL

31 December 2024 Technical provisions by Line of Business	Insurance with-profit participation £m	Index-linked and unit linked insurance £m	Health insurance £m	Other life insurance £m	Accepted reinsurance £m	Total technical provisions £m
Best Estimate Liabilities	265	4,902	–	1,445	1	6,613
Risk margin	–	17	–	2	–	19
Gross technical provisions	265	4,919	–	1,447	1	6,632
Reinsurance	–	(5)	–	(1,366)	–	(1,371)
Net technical provisions	265	4,914	–	81	1	5,261

D.2.2.6a Technical provisions by Line of Business – SLAL

Gross technical provisions in SLAL at 31 December 2024 are less than £1 million and are wholly reinsured to PLL. They relate to unit-linked business. Details are included in the QRT IR.12.01.02 in Appendix 6.3.

D.2 Technical provisions continued
D.2.2 Technical provisions by line of business continued

The tables in sections D.2.2.1b and D.2.2.2b below outlines separately for each LoB the material differences between the bases, methods and main assumptions used for Solvency UK and those used for IFRS at 31 December 2024.

D.2.2.1b Material differences between IFRS and Solvency UK technical provisions – PGH Group

Technical provisions – IFRS to Solvency II reconciliation	Insurance with-profit participation £m	Index-linked and unit linked insurance £m	Health insurance £m	Other life insurance £m	Accepted reinsurance £m	Total technical provisions £m
IFRS technical provisions - gross	47,025	191,614	249	47,569	81	286,538
Add liabilities classified as held for sale	–	3,175	–	–	–	3,175
Longevity derivative assets and liabilities	–	–	–	(122)	–	(122)
Reclassification of insurance (payables)/receivables	(645)	(406)	–	(120)	–	(1,171)
Statutory accounts value technical provisions - gross[1]	46,380	194,383	249	47,327	81	288,420
IFRS reinsurers' share	(665)	(9,118)	(113)	(4,398)	–	(14,294)
Add assets classified as held for sale	–	(32)	–	–	–	(32)
Longevity derivative assets and liabilities	–	–	–	19	–	19
Reclassification of reinsurance receivables/(payables)	32	–	–	(3,560)	–	(3,528)
Statutory accounts value reinsurance recoverable[2]	(633)	(9,150)	(113)	(7,939)	–	(17,835)
Statutory accounts value technical provisions - net	45,747	185,233	136	39,388	81	270,585
Valuation differences	(4,442)	(6,404)	(45)	(659)	602	(10,948)
Solvency II Best Estimate Liabilities - net	41,305	178,829	91	38,729	683	259,637
Add risk margin	143	380	6	318	–	847
Deduct transitional adjustments	(453)	(461)	(19)	(494)	–	(1,427)
Solvency II technical provisions - net	40,995	178,748	78	38,553	683	259,057
Solvency II reinsurance	7	9,451	179	6,164	–	15,801
Solvency II technical provisions - gross	41,002	188,199	257	44,717	683	274,858

1 The statutory accounts value of gross technical provisions (for Insurance and Investment contracts) of £288,420 million is different to the IFRS value of £286,538 million reported in the PGH Annual Report and Accounts for year ended 31 December 2024, due to the following presentational differences:
(i) liabilities reported as held for sale under IFRS;
(ii) longevity arrangements which PLL has in place with corporate pension schemes. The longevity arrangements are recognised as financial instruments under IFRS whereas under Solvency UK, they are recognised within technical provisions.; and
(iii) reclassification of insurance (payables)/receivables. The insurance (payables)/receivables are recognised as insurance contract liabilities under IFRS whereas under Solvency UK, they are recognised as separated assets and liabilities.

2 The statutory accounts value of reinsurance recoverable (for Insurance and Investment contracts) of £17,835 million is different to the IFRS value of £14,294 million reported in the PGH Annual Report and Accounts for year ended 31 December 2024, due to presentational differences with respect to reinsurance payables and receivables balances, together with the equivalent presentational differences on reinsurance recoverables arising from the held for sale classification, treatment of longevity arrangements under IFRS and the reclassification of reinsurance receivables/(payables).

D.2 Technical provisions continued

D.2.2 Technical provisions by line of business continued

D.2.2.2b Material differences between IFRS and Solvency UK technical provisions – PLCL

Technical provisions – IFRS to Solvency UK reconciliation	Insurance with-profit participation £m	Index-linked and unit linked insurance £m	Health insurance £m	Other life insurance £m	Accepted reinsurance £m	Total technical provisions £m
IFRS technical provisions - gross	284	5,112	–	1,502	1	6,899
Reclassification of insurance (payables)/(receivables)	–	(36)	–	(6)	–	(42)
Statutory accounts value technical provisions - gross	284	5,076	–	1,496	1	6,857
IFRS reinsurers' share	–	(10)	–	44	–	34
Reclassification of reinsurance receivables/(payables)	–	–	–	(1,458)	–	(1,458)
Statutory accounts value reinsurance recoverable	–	(10)	–	(1,414)	–	(1,424)
Statutory accounts value technical provisions - net	284	5,066	–	82	1	5,433
Valuation differences	(19)	(169)	–	(3)	–	(191)
Solvency UK Best Estimate Liabilities - net	265	4,897	–	79	1	5,242
Add risk margin	–	17	–	2	–	19
Solvency UK technical provisions - net	265	4,914	–	81	1	5,261
Solvency UK reinsurance	–	5	–	1,366	–	1,371
Solvency UK technical provisions - gross	265	4,919	–	1,447	1	6,632

Valuation Differences Between IFRS and Solvency UK Technical Provisions – Group and PLCL

An explanation of the material differences between the IFRS valuation for technical provisions and that used for Solvency UK is included below. Note that differences relating to the matching adjustment, TMTPs and equity release mortgages are not relevant for PLCL.

Item	Description
Assumption differences	• For annuity business, the discount rate used for IFRS is derived on a top-down basis and combines a risk free rate and an illiquidity premium. Under Solvency UK the allowance for illiquidity premium is referred to as the matching adjustment, the determination of which differs to the IFRS illiquidity premium. The matching adjustment is derived from the credit spread on the assets held in the matching adjustment portfolios at the reporting date, less a margin for defaults and downgrades calculated using PRA-specified assumptions. The IFRS illiquidity premium is based on the credit spreads of a reference portfolio of assets with an allowance for the Group's best estimate for defaults and downgrades, derived utilising an internally developed credit model. Additionally, there is a difference in the treatment of equity release mortgages ('ERM'). The Solvency UK matching adjustment is based on the yield from the internal securitisations of the ERMs, whereas the IFRS illiquidity premium is derived from the higher yield associated with the underlying ERM loans themselves. There are also differences with respect to the business lines to which the illiquidity premium is applied. The Solvency UK matching adjustment is applied to liabilities in matching adjustment portfolios only, whereas under IFRS the illiquidity premium applies to a broader range of business lines. • For all other business, the discount rates used for Solvency UK are based on risk-free yields, whereas the discount rates used for IFRS are derived from a bottom-up approach, using the risk-free yield curve, adjusted for differences in liquidity characteristics by adding an illiquidity premium.
Methodology differences	• Solvency UK technical provisions include contracts that are classified as investment contracts under IFRS. Investment contract liabilities are measured at fair value, subject to a minimum equal to the surrender value. This means that future profits are not allowed for in the IFRS investment contract liability. In contrast, the Solvency UK technical provisions for these contracts includes the future profits expected to emerge within the contract boundary as determined in accordance with the regulations. • IFRS technical provisions recognise a contractual service margin ('CSM'), representing the unearned profit that the company will recognise over the life of the contract. The CSM is not recognised under Solvency UK. • IFRS technical provisions include a risk adjustment calculated using a confidence level technique based on analysis of the risk profiles of groups of contracts, whereas the risk margin under Solvency UK is calculated using a cost of capital approach.

D.2 Technical provisions continued

D.2.2 Technical provisions by line of business continued

The tables below outline separately for each LoB, the material differences between the bases, methods and main assumptions used for Solvency UK and those used for UK GAAP at 31 December 2024.

D.2.2.3b Material differences between UK GAAP and Solvency UK technical provisions – PLL

Technical provisions – UKGAAP to Solvency UK reconciliation	Insurance with-profit participation £m	Index-linked and unit linked insurance £m	Health insurance £m	Other life insurance £m	Accepted reinsurance £m	Total technical provisions £m
UK GAAP technical provisions - gross	25,515	134,472	57	37,757	12,427	210,228
Longevity derivative assets and liabilities	–	–	–	(122)	–	(122)
Statutory accounts value technical provisions - gross	25,515	134,472	57	37,635	12,427	210,106
UK GAAP reinsurers' share	(5)	(9,162)	(51)	(6,540)	(580)	(16,338)
Longevity derivative assets and liabilities	–	–	–	19	–	19
Statutory accounts value reinsurance recoverable	(5)	(9,162)	(51)	(6,521)	(580)	(16,319)
Statutory accounts value technical provisions - net	25,510	125,310	6	31,114	11,847	193,787
Valuation differences	(2,230)	(3,284)	(9)	(707)	(973)	(7,203)
Solvency UK Best Estimate Liabilities - net	23,280	122,026	(3)	30,407	10,874	186,584
Add risk margin	101	256	2	218	–	577
Deduct transitional adjustments	(436)	(390)	(4)	(342)	–	(1,172)
Solvency UK technical provisions - net	22,945	121,892	(5)	30,283	10,874	185,989
Solvency UK reinsurance	1	9,155	51	4,897	581	14,685
Solvency UK technical provisions - gross	22,946	131,047	46	35,180	11,455	200,674

D.2 Technical provisions continued
D.2.2 Technical provisions by line of business continued
D.2.2.4b Material differences between UK GAAP and Solvency UK technical provisions – RAL

Technical provisions – UKGAAP to Solvency UK reconciliation	Insurance with-profit participation £m	Index-linked and unit linked insurance £m	Health insurance £m	Other life insurance £m	Accepted reinsurance £m	Total technical provisions £m
Statutory accounts value/UK GAAP technical provisions - gross	8,082	32,285	86	8,138	178	48,769
UK GAAP reinsurers' share	(4)	(375)	–	(2)	–	(381)
Statutory accounts value/ UK GAAP technical provisions - net	8,078	31,910	86	8,136	178	48,388
Valuation differences	(694)	(1,322)	(3)	(112)	(201)	(2,332)
Solvency UK Best Estimate Liabilities - net	7,384	30,588	83	8,024	(23)	46,056
Add risk margin	11	70	3	97	–	181
Deduct transitional adjustments	(17)	(71)	(15)	(152)	–	(255)
Solvency UK technical provisions - net	7,378	30,587	71	7,969	(23)	45,982
Solvency UK reinsurance	4	368	–	(172)	–	200
Solvency UK technical provisions - gross	7,382	30,955	71	7,797	(23)	46,182

D.2.2.5b Material differences between UK GAAP and Solvency UK technical provisions – RLL

Technical provisions – UKGAAP to Solvency UK reconciliation	Insurance with-profit participation £m	Index-linked and unit linked insurance £m	Health insurance £m	Other life insurance £m	Accepted reinsurance £m	Total technical provisions £m
Statutory accounts value/UK GAAP technical provisions - gross	–	5,157	7	464	122	5,750
UK GAAP reinsurers' share	–	(26)	(3)	(464)	–	(493)
Statutory accounts value reinsurance recoverable	–	(26)	(3)	(464)	–	(493)
Statutory accounts value technical provisions - net	–	5,131	4	–	122	5,257
Solvency UK Best Estimate Liabilities - net	–	5,131	4	–	122	5,257
Add risk margin	–	2	–	–	–	2
Solvency UK technical provisions - net	–	5,133	4	–	122	5,259
Solvency UK reinsurance	–	(244)	(5)	431	–	182
Solvency UK technical provisions - gross	–	4,889	(1)	431	122	5,441

D.2.2.6b Material differences between UK GAAP and Solvency UK technical provisions – SLAL
Following the funds merger in 2023 there are no material differences between UK GAAP and Solvency UK technical provisions at 31 December 2024.

D.2 Technical provisions continued

D.2.2 Technical provisions by line of business continued

Valuation Differences Between UK GAAP and Solvency UK Technical Provisions

An explanation of the material differences between the UK GAAP valuation for technical provisions and that used for Solvency UK is included below:

Item	Description
Change in restriction for negative sterling reserves	The term 'sterling reserves' refers to reserves set aside to cover future cash flow obligations on unit-linked policies, over and above the value of units held. Under UK GAAP, sterling reserves are not recognised where they are negative (i.e. where future charges are in excess of expenses). For Solvency UK, negative sterling reserves are allowed as a reduction to technical provisions.
Demographic margin	A margin for demographic risk is included within the UK GAAP technical provisions for the non-profit funds. This item is based on a percentage of undiversified demographic risk capital, relating to mortality, longevity, persistency and expenses. Solvency UK does not require this margin to be held over and above best estimate.
Annuity profit margin	Annuity profit margin includes future profits expected to be recognised when deferred annuities vest from the with-profit funds into the Matching Adjustment portfolio. Under Solvency UK, there is no allowance for the reserving of the profit margin. For UK GAAP this profit margin is included within unallocated surplus.
Policyholders' share of estate	The proportion of the with-profit estate which is expected ultimately to be distributed to policyholders is included within technical provisions on the UK GAAP basis. For Solvency UK, it is recognised as surplus funds (being accumulated profits which have not been made available for distribution to policyholders or other beneficiaries) and is not recognised within technical provisions but instead as an item of Own Funds. Further details are included in section E.1.
Prepayments	Under UK GAAP, the Life Companies recognise a prepayment relating to payment for transfer of certain risks to Service Companies. An offsetting amount is also held within technical provisions to recognise the future charge that will be incurred as the prepayment is released. For Solvency UK, the prepayment cannot be recognised, as it is considered to not have any economic value, and therefore the liability held within technical provisions is released.
Other	Other items included in the valuation difference comprise: - the costs for any known mandatory requirements; - product development and exceptional costs committed to be incurred in the year after the valuation date; and - ex-gratia payments if additional costs (e.g. legal) would be expected if the payments were not made.

The fund for future appropriation under UK GAAP represents the unallocated surplus of the with-profits business and comprises the excess of assets over policyholder liabilities that have yet to be apportioned between policyholders and shareholders. The proportion of the excess of assets over policyholder liabilities already attributed to policyholders has been included within UK GAAP technical provisions. Under Solvency UK, the shareholder share of future bonuses forms part of Own Funds, and may be subject to a Ring Fenced Fund restriction.

D.2.3 Bases, methodology and main assumptions used for best estimate liabilities ('BEL')

The Solvency UK technical provisions represent the value of policyholder obligations, if these were to be transferred to a third party at the valuation date. For its insurance subsidiaries, the Group's approach is to value all actuarial liabilities based on the BEL plus the risk margin. The technical provisions for the Group and its insurance subsidiaries can be seen in section D.2.2 and, for the insurance subsidiaries only, in the IR.12.01.02 technical provisions QRT, which have been disclosed in the appendices.

Sections D.2.3 to D.2.10 set out in detail the bases, methodology and main assumptions used to derive the BEL. Risk margin methodology is covered in section D.2.11.

D.2 Technical provisions continued

D.2.3 Bases, methodology and main assumptions used for best estimate liabilities ('BEL') continued

D.2.3.1 Best estimate liabilities

BEL is calculated gross, without any deduction for amounts recoverable on reinsurance contracts. Reinsurance recoverables are valued separately, recognised as a reinsurance asset and calculated in the same manner as the BEL (see section D.2.8 for further details).

All assumptions are updated to reflect current economic conditions and demographic experience. Material changes to the relevant assumptions made in the calculation of technical provisions are covered in section D.2.5.

For the majority of policies which have rider contracts (an additional provision attached to an insurance policy), the rider is separated from the main contract for valuation purposes. For example, a term assurance rider contract attached to a unit-linked pension policy is treated as a separate stand-alone term assurance contract. This ensures appropriate assumptions are used to value the rider contract.

The following section details the methodology and key assumptions used to calculate the BEL.

D.2.3.2 Overview of Methodology

A cash flow projection model is used to calculate BEL. This projects cash inflows and outflows required to meet obligations to policyholders over the lifetime of the policy, taking into account the undertaking's regulatory duty to treat its customers fairly, including new Consumer Duty standards.

The projection of future cash flows is performed using realistic assumptions regarding future experience. The key relevant assumptions include mortality, longevity, lapse rates, expenses and option take-up rates with allowance for any expected trends.

The model takes account of the time value of money through discounting at an appropriate risk-free rate (see section D.2.3.3 below). The assessment of the expected cash flows underlying the BEL takes into account any taxation payments which are charged to policyholders, or which would be required to be made to settle the insurance obligations.

In certain specific circumstances, the best estimate may be negative (e.g. for some protection business where the value of future premiums exceeds the value of future claims and expenses). A negative BEL is permitted under the regulations.

D.2.3.3 Discount rates

For the purpose of calculating the Solvency UK technical provisions, nominal discount rates, based on swap rates prescribed by the PRA are used. These rates vary by currency of liabilities. PLCL uses sterling rates for all liabilities due to the immaterial nature of non-sterling liabilities. The vast majority of the Group's insurance obligations are denominated in sterling. The Group's main non-sterling currency exposure relates to euro denominated liabilities.

An adjustment (also specified by the PRA) is made to the swap curve for credit risk. At 31 December 2024, the sterling credit risk adjustment was zero and the euro credit risk adjustment was minus 10bps at each duration.

For certain liabilities, a matching adjustment or volatility adjustment is added to the basic risk-free yield curve (see section D.2.7).

D.2.3.4 Tax assumptions

Deferred tax is provided for on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates and laws enacted or substantively enacted at the period end. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

D.2 Technical provisions continued

D.2.3 Bases, methodology and main assumptions used for best estimate liabilities ('BEL') continued

D.2.3.5 Contract boundaries

Under the regulations the liability cash flows that need to be considered within the BEL are those that fall within the 'contract boundary'. The contract boundary is set at the point at which there is a unilateral right to terminate the contract or reject further premiums, reprice or change the benefits payable under the contract in such a way that the premiums fully reflect the associated risks. Depending on the features of the contract type, the contract boundary can vary (e.g. the contract boundary may be the original maturity date, the next policy anniversary or the reporting date).

The boundary used is based on a product level assessment which has been performed against the regulations.

In general, future premiums with no guarantees and no cap on charges are not included within the contract boundary, even where the policyholder has the right to invest future premiums into with-profits or a fund with a charge cap. In this case, the contract boundary is at the reporting date. Contracts investing in a combination of with-profits funds, funds with a charge cap and funds with no guarantee or charge cap are unbundled to allow for different contract boundaries on the different parts of the contract. For the avoidance of doubt, all related cash flows in respect of premiums paid up to and including the reporting date are included in the calculation of technical provisions.

D.2.3.6 Grouping of liability data

The majority of policies are grouped into model points to improve computational efficiency. Groups are selected so that the model points appropriately allow for the risk characteristics of the individual policies and do not distort the valuation of BEL.

As an exception to this, there is no model point grouping for the business in the RAL Guardian With-Profit Fund and PLCL funds (excluding GAO business) where the valuation is performed on an individual policy basis.

D.2.4 Calculation

The following sub-sections outline how each type of BEL is valued.

D.2.4.1 Insurance with-profit participation

The BEL is typically calculated as the sum of:

- asset shares – the value (as at the valuation date) of the underlying policy cash flows accumulated at the investment returns earned historically on assets backing those policies and where relevant, the estate distribution to date;
- the market-consistent cost of guarantees and smoothing as these may give rise to claim payments greater than the asset shares; and
- other with-profit future policyholder related liabilities, which includes future discretionary benefits and any remaining options and guarantees.

The PLCL with-profit fund uses a prospective method. A best estimate deterministic cash flow model projects future fund values, policy guarantees and cash flows using best estimate assumptions, which are then discounted using the PRA yield curve.

Cost of options and guarantees

A range of options and guarantees exist. As the cost of an option or guarantee will vary depending on future economic conditions, stochastic methods are used to value the majority of them (see section D.2.6 for further details) and these are included in the BEL.

Investment mix of asset shares

As the value of options and guarantees can depend on the projected asset share, the stochastic model requires assumptions about the current and future mix of investments held within the asset shares. These assumptions reflect the asset share pools as described in each with-profit fund's Principles and Practices of Financial Management ('PPFM').

The change to the asset mix of these asset share pools varies over time as described in the PPFM; certain funds will retain a static mix based on the assets backing asset shares at the valuation date, others will vary from an initial mix to a long-term strategic mix.

D.2 Technical provisions continued
D.2.4 Calculation continued
D.2.4.2 Other life insurance (including health)

The BEL for the annuity business is the present value of future annuity payments and associated policy administration expenses less any future premiums payable. For non-pension annuities, the annuity payments may include policyholder tax on the income element of any payments.

For other business, BEL represents a realistic assessment of the present value of projected claims payments, plus expenses less premium income.

D.2.4.3 Index-linked and unit-linked business

The unit-linked liability is a combination of the unit fund and sterling reserves, which are treated as the BEL. The sterling reserves are calculated as the discounted value of future expected fee income less expenses using risk-free rates of return and best estimate assumptions.

D.2.5 Demographic and expense assumptions

Actuarial assumptions have been reviewed throughout the year, resulting in updates to a number of the assumptions. The most significant changes were in respect of longevity and expenses.

Updates to the combination of longevity base and improvement assumptions led to an overall release of reserves, reflecting latest experience analysis and lower rates of future improvements.

Updates to expense assumptions led to an overall decrease in reserves at Life Company level, principally within PLL driven by a decrease in anticipated costs from reductions in expected investment expenses reflecting changes to investment strategy that have led to lower fees being payable to external asset managers and reductions in future assumed management expenses as a result of group-wide cost reduction initiatives. This has been partially offset at a Group level from increased costs associated with the migration of policyholder administration onto the TCS platform for legacy SLAL and ReAssure entities.

All demographic and expense assumptions are determined on a best estimate basis (i.e. they include no allowance for prudence). Any changes to external factors are also taken into account when determining the best estimate assumptions.

Assumptions are set in accordance with the regulations. In particular, they:

- are applicable to homogenous risk groups and LoBs within each insurance subsidiary;
- are based on knowledge of the business and practices for managing the business; and
- ensure appropriate allowance for anticipated trends or future changes in the Group and its insurance subsidiaries and portfolio specific factors as well as legal, technological, social, economic or environmental factors.

Typically assumptions are reviewed annually, however for less material assumptions the updates may be less frequent.
The assumption setting process involves analysing experience data from the last two to ten years. This ensures data is detailed enough to allow credible statistical analysis to be performed and emerging trends to be identified.

For example, in order to set a particular assumption for a particular group of policies, the annual percentage of policies subject to the relevant decrement (for example, lapses, death) over the last five years is typically considered. The actual rates observed over the last five years are then compared to the best estimate assumption being used to value the BEL. Where the best estimate assumption is materially out of line with actual experience, changes to the best estimate assumption are considered.

Validations are performed to ensure the experience data is accurate, relevant and credible. Other industry data (e.g. industry trend data) may also be used to supplement the Group's experience data, where relevant and credible.

Expert judgement is applied to assess the impact on the proposed assumption of one-off events and likely future policyholder behaviour. It is also used where there is insufficient credible experience/other data to set the assumption.

D.2 Technical provisions continued

D.2.5 Demographic and expense assumptions continued

Due to the effect of the COVID-19 pandemic, during 2020 and 2021 the number of deaths were significantly higher than in previous years. Based on the judgement that this was an exceptional period, the experience data from these years was excluded. It was however observed that the current experience remains higher than the experience pre-pandemic. In setting the longevity base assumptions and improvement assumptions for 31 December 2024, we have taken some credit for this experience and have introduced some post-pandemic experience in the assumption setting process.

Key best estimate demographic assumptions are:
- longevity rates (using base table and future improvement rates);
- mortality rates;
- lapse rates;
- early and late retirement rates;
- income drawdown rates;
- option take-up rates (e.g. early retirement options, Guaranteed Annuity Options ('GAO'));
- premium indexation (option take up rates); and
- rate of conversion from premium paying to paid up status.

Other less material best estimate assumptions include morbidity rates and cash withdrawal rates on bonds.

D.2.5.1 Longevity & Mortality

Base annuitant longevity

The base table longevity assumption review for annuitants is based on individual insurance subsidiary longevity experience over a five year period. For PLCL a ten year period is used, but 2020 and 2021 are excluded.

Criteria used to subdivide fund level data into homogenous risk groups are gender, product group, smoker status and ex-entity (i.e. the original company that sold the policy to the policyholder). However for impaired life annuities, underwriting class is also used. RAL also applies some aggregation to less material annuitant blocks based on broad socioeconomic class groupings.

The main mortality tables currently in use are from the '16 Series' of base mortality tables supplied by the Continuous Mortality Investigation ('CMI'). A small volume of RAL and PLCL business has not been migrated to '16 Series' and uses base mortality tables from the 'S3 series' and the '08 series'. These tables represent a best estimate view of the shape of the underlying mortality rates by age and gender. A base longevity multiplier is then applied to the table so that the assumptions align to the underlying experience.

A separate allowance is made for future longevity improvements applicable after the valuation date, which are detailed below.

Pre-vesting mortality

Pre-vesting mortality assumptions apply to products such as term assurances and endowments.

The assumption review is based on mortality experience primarily over a five-year period. Criteria used to subdivide fund level data are gender, product group, smoker status and ex-entity.

A base mortality multiplier that varies by gender is applied to a published mortality table. Adjustments may be made to the mortality table to take account of changes in mortality improvements since the table was published.

Base multiplier and mortality assumptions are selected that are in line with the underlying experience data plus adjustments as deemed appropriate. In some cases, age specific percentages are used where they better match experience.

The main published mortality tables currently in use are AX92, TX92, AXC00, ELT14 and TX00.

Additionally, company specific tables are used to value term policies and certain individual policies which include total and permanent disability benefits.

Future improvement in longevity rates

For immediate annuities, deferred annuities or products with GAOs or Guaranteed Minimum Pension ('GMP') guarantees and for certain whole of life and term assurance business, a separate allowance for future improvements in longevity rates is made when calculating technical provisions.

D.2 Technical provisions continued

D.2.5 Demographic and expense assumptions continued

D.2.5.1 Longevity & Mortality continued

Future improvement in longevity rates continued

For annuity business, the future improvement assumption is a material assumption and is based on the output from an internal 'cause of death model' with assumptions guided by views from a medical expert panel. The assumption is expressed using an industry model (the CMI projections model) which firstly fits a model to England and Wales historical population data. The CMI model then uses assumptions regarding the rate of convergence from the recent historical rates to an appropriate long-term rate of future improvement. The published projection model currently in use for all funds except PLCL is the CMI_2023 projections model which uses historical data up to 31 December 2023. As a result of the COVID-19 pandemic, the numbers of deaths were exceptionally high during 2020-2023. Therefore, based on expert judgement, no weight was placed on the data from those years in the CMI_2023 model. PLCL uses the projection model CMI_2022 where no weight was placed on the experience in years 2020 and 2021, and a 25% weighting for the experience in 2022.

For certain whole of life and term assurance business, the future improvement assumption is less material and a single rate of future improvement assumption is used.

Morbidity assumptions

For certain RLL business providing stand-alone and accelerated critical illness cover, a future deterioration assumption is used. It is assumed that the rate of deterioration is the same for all future years.

For German protection rider business, assumptions are derived based on pooled reinsurer data, with adjusted weightings to reflect the occupational mix associated with Phoenix's policyholders.

D.2.5.2 Persistency

The lapse rate assumption review (including retirement, withdrawal and paid up rates) for PLL and RAL is based on experience primarily over a five-year period, splitting policies into homogeneous risk groups and identifying an assumption for the group as a whole. Criteria used to determine these groups include product type (e.g. level of guarantees, tax treatment), ex-entity (i.e. the original company that sold the policy to the policyholder), premium payment status (i.e. regular premium or single premium/paid up), duration of business, policyholder age and territory. Where experience data is insufficient to perform a credible analysis, the experience from similar products may be aggregated. There are instances where the approach may differ due to data limitations or application of expert judgement.

With-profits contracts in Germany give the policyholder the option of increasing their premium each year, subject to limits. Assumptions are required for both the future eligibility to premium increases, and the take-up rate. The assumption varies by: product; policy term; and maximum indexation level selected at policy outset.

D.2.5.3 Early and late retirement rates

The assumption review for early and late retirement rates is based on experience primarily over a three to five year period. The criteria used to subdivide fund level data are product type and ex-entity. Late retirement rates are reviewed for those products where the assumption has a material impact on BEL.

In setting the assumptions, allowance is made for known or anticipated trends (e.g. changes in early and late retirement rates as a result of the interest rate environment or changes in pensions legislation).

D.2.5.4 Income drawdown rates

The assumption review is based on experience over a two-year period. Criteria used to subdivide fund level data are age, pot size and product type. Where experience data is insufficient to perform a credible analysis, the experience from similar products may be aggregated. The analysis is carried out by splitting policies into homogeneous risk groups and identifying an assumption for the group as a whole.

D.2.5.5 Option take-up rates

The current best estimate assumptions for GAO take-up rates are based on experience data over the past 3 years in most cases.

GAO liabilities are valued using a stochastic model. The take-up rate for PLL varies depending on the projected interest rate at policy maturity date in each stochastic scenario. An upper and lower bound apply to the take-up rate based on the degree to which the guarantee is in the money (i.e. by how much the guaranteed annuity rate exceeds the current market annuity rate). For ex-SLAL's UK and Irish, and RAL's National Mutual and Windsor Life GAO liabilities, the take-up rates do not vary dynamically. For PLCL, the GAO take-up rates vary by fund size.

The assumed GAO take-up rates across the different funds currently lie between 17% and 100%.

GAO take-up rates are also set on German business where rates vary by age and product type.

Deferred annuity business in RAL includes Guaranteed Cash Options. The liabilities are valued deterministically with an assumption for the proportion of benefits taken as an annuity rather than cash benefits. This assumption does not vary dynamically. Across different products the annuity take-up assumption varies between 60% and 84%.

D.2 Technical provisions continued

D.2.5 Demographic and expense assumptions continued

D.2.5.6 Expense assumptions

Future expense assumptions are set on a going concern basis, which assumes that Standard Life branded Pensions & Savings business, BPAs and individual annuities, and SunLife protection business will continue to be written in future. It is assumed that other product lines remain substantively closed to new business. The expense assumptions reflect the anticipated impact of transition and integration activity, including the expected cost associated with policy migrations to the TCS platform.

Assumptions are set on a per policy basis, varying by product and/or fund. They are set with reference to per policy charges defined in the Master Services Agreements ('MSAs') signed with the Group's Service Companies for the provision of policy administration. Allowance has been made, where relevant, for the estimated impact of changes in per policy charges which may arise at the next charge review date. These allowances are informed by a forward-looking view of the cost base from the Annual Operating Plan and include assumed future cost reductions with adjustments applied to reflect level of certainty of achieving these. MSA charges are in respect of all administration costs and any associated overhead costs. RAL and RLL per policy charges are defined by an evergreen MSA under which the charges are not reviewable and the assumptions therefore align with rates set out in the agreement. RAL also has service agreements with some external companies. From RLL's perspective, these costs are guaranteed via an intra-group reinsurance arrangement with RAL.

The MSAs also define direct costs (e.g. regulatory and insurance fees) and project costs which are separately billed to the insurance companies as they are incurred. The future expense assumptions include allowances for some direct and project costs where applicable. For European business, future expense assumptions on a per policy basis are derived from an analysis of management expenses. This allows for all expenses incurred in servicing policies, including overheads, and also assumes that the company continues to write new business.

There are further services provided which are not covered by the MSAs as they were introduced after the current agreements were signed. Future expense assumptions also include allowances for these costs. An assessment is made of the material expenses expected to be incurred in future (for example, relating to regulatory project costs), based on known budgetary information and expert judgement.

There is no MSA in place for PLCL, so an alternative approach is used based on PLCL's share of all administration costs and associated overhead costs.

At a Group level, adjustments are made to the Life Company expense assumptions where the charges to the Life Companies under the MSAs do not fully reflect the underlying external maintenance cost base.

Investment management expense assumptions include explicit inputs to the valuation models, as well as reductions to the investment returns used to calculate BEL. For with-profit funds and some non-profit funds investment expenses are set by considering the underlying asset mix of the asset shares and those assets backing liabilities.

D.2.6 Stochastic model

D.2.6.1 Economic Scenario Generators

An Economic Scenario Generator ('ESG') developed by a third party supplier has been used to support the stochastic valuation of all material options and guarantees in the with-profit funds. A stochastic methodology is required for options and guarantees due to their potential volatility and asymmetric behaviour under different sets of future economic scenarios. The stochastic methodology involves valuing the options and guarantees under 1,000 different future economic scenarios and then averaging over all scenarios. RAL values options and guarantees on 2,000 different scenarios for the base results and 1,000 for stresses. The central scenario in the ESG is equal to the single deterministic scenario used to value all non-profit and unit-linked business.

The ESG generates projected asset returns consistent with asset prices observed in financial markets and assumes no arbitrage opportunities exist. The calibration of the parameters and scenarios is consistent with the relevant risk-free interest rate term structure used to calculate the BEL provided by the PRA. Where possible the ESG has been calibrated to assets from deep, liquid and transparent markets that are appropriate to the nature of the funds' options and guarantees.

D.2 Technical provisions continued
D.2.6 Stochastic model continued
D.2.6.2 Management actions

The methods and techniques for the estimation of future cash flows take account of potential future actions taken by management. The management actions allowed for are determined and justified in accordance with the regulations. Management actions in this context are mainly relevant to with-profit liabilities and, in the calculation of technical provisions, primarily relate to discretion over the amount of annual and final bonuses. In each ESG scenario, the level of annual future reversionary bonus applied to benefits is determined dynamically, and is set at a level such that the final bonus is targeted at a specified percentage of the guaranteed benefit.

Some reversionary bonuses are guaranteed at a specified minimum. Where this is the case the model uses the dynamic methodology as above, but applies a floor of the guaranteed minimum.

The final bonus rates are typically assumed to be adjusted in each scenario so as to correspond to the rate that can be covered by the difference between the asset share and the guaranteed benefit, including any reversionary bonuses. The overall final bonus is subject to a minimum of zero.

In addition, dynamic deductions are applied to the Heritage With-Profits Fund within PLL and dynamic equity backing ratio is applied within the German With-Profits Fund. Furthermore, for RAL, the management actions include market value reductions (where the terminal bonus rate is allowed to fall below zero in certain circumstances) and the application of smoothing on bonus rates. The LG With-Profits Fund also has dynamic asset allocation that allows the equity backing ratio to adjust for each ESG scenario. This adjustment occurs when the asset share to guaranteed benefit ratio passes certain trigger points.

D.2.6.3 Policyholder actions

The impact of policyholder actions is considered primarily in relation to GAO take-up rates, as these take-up rates are expected to be correlated with the financial benefit gained from the option, which is in turn highly correlated with the level of interest rates.
The central GAO take-up rate assumptions in the stochastic models are supported by the analysis of historical data. This analysis takes into account the following:

- how beneficial exercise of the option was and will be to policyholders under circumstances at the time of exercising the option;
- the influence of past and future economic conditions;
- the impact of past and future management actions; and
- any other circumstances that are likely to have influenced the decisions on whether to exercise the option (e.g. changes in legislation such as Pension Freedom legislation introduced in April 2015).

The modelling of RAL's and PLCL's cost of guarantees does not dynamically allow for policyholder behaviour in line with observed historic experience.

D.2.7 Solvency UK long-term guarantee and transitional measures

Within PLL and RAL, regulatory approval has been received from the PRA for the application of:

- the Matching Adjustment, which is applied to all liabilities in the Matching Adjustment portfolios; and
- the TMTP which is applied to all liabilities.

Within RAL, regulatory approval has also been received for the application of the Volatility Adjustment, which applies to certain annuities in the Non-Profit Fund and guaranteed annuity rates, guaranteed annuity options and cash guarantees in the National Mutual With-Profit Fund ('NMWPF') and the Windsor Life With-Profit Fund ('WLWPF').

SLAL, RLL, PLCL and PA(GI) do not apply a Matching Adjustment, Volatility Adjustment or TMTP adjustment.

D.2 Technical provisions continued

D.2.7 Solvency UK long-term guarantee and transitional measures continued

D.2.7.1 Matching Adjustment

The application of the Matching Adjustment allows insurers to use a (typically) higher discount rate when valuing liabilities that meet strict eligibility criteria, with the effect of increasing Own Funds and reducing the SCR. The assets and liabilities in each of the Matching Adjustment portfolios meet the Matching Adjustment eligibility criteria as set out in the regulations.

The Matching Adjustment is based on the expected yield from eligible assets held to back eligible liabilities, less a margin for defaults and downgrades (the 'fundamental spread'). It is applied as a flat increase to the Solvency UK basic risk-free curve used to discount liabilities.

The calculation of the Matching Adjustment requires PRA-specified assumptions for the basic risk free curve and fundamental spreads. The fundamental spreads are adjusted where the risk profile of assets in the Matching Adjustment portfolio differs from the portfolio of bonds used to calibrate the PRA's fundamental spreads. These assumptions are combined with asset and liability cash flows to generate the Matching Adjustment for each currency of liabilities.

The liabilities in the Matching Adjustment portfolio consist of sterling denominated non-profit immediate and deferred annuities. The immediate and deferred annuities provide policyholders with a mixture of level, fixed escalation and inflation linked benefits.

At the current valuation date, assets held to back liabilities in the Matching Adjustment portfolios include: fixed rate and index-linked government bonds; supranational bonds; corporate bonds; equity release mortgages ('ERM'); commercial real estate loans; infrastructure loans; private corporate credit; loans guaranteed by export credit agencies and supranationals; local authority loans; loans to housing associations; cross-currency swaps; interest rate swaps and inflation swaps; gilt total return swaps and cash.

The impact of reducing the Matching Adjustment to zero on the Solvency UK balance sheet (including technical provisions, Own Funds, SCR and MCR) is summarised below and shown in QRT IR.22.01 in the Appendix for PGH Group and each life company.

	PGH Group			PLL			RAL		
	Including Matching Adjustment £m (A)	Excluding Matching Adjustment £m (B)	Impact of removing Matching Adjustment £m (B) - (A)	Including Matching Adjustment £m (A)	Excluding Matching Adjustment £m (B)	Impact of removing Matching Adjustment £m (B) - (A)	Including Matching Adjustment £m (A)	Excluding Matching Adjustment £m (B)	Impact of removing Matching Adjustment £m (B) - (A)
Technical provisions	274,858	279,213	4,355	200,674	204,438	3,764	46,182	46,773	591
Basic Own Funds	10,140	6,833	(3,307)	7,104	4,244	(2,860)	1,865	1,418	(447)
Eligible Own Funds to meet SCR	10,365	7,058	(3,307)	7,104	4,244	(2,860)	1,865	1,418	(447)
SCR	6,850	11,389	4,539	4,756	8,961	4,205	1,051	1,385	334
Eligible Own Funds to meet MCR	n/a	n/a	n/a	7,104	4,244	(2,860)	1,865	1,418	(447)
MCR	n/a	n/a	n/a	1,818	2,221	403	286	359	73

D.2.7.2 Transitional Measure on Technical Provisions (Unaudited)

Transitional measures allow insurers to recognise the impact of increased technical provisions calculated under the Solvency UK regime compared to the previous Solvency I regime (using the Pillar 2 Individual Capital Assessment ('ICA') basis, and subject to restriction as described below) on a gradually reducing basis over 16 years. The Group's technical provisions calculated under Solvency UK exceed those calculated under the Solvency I regime for three reasons.

D.2 Technical provisions continued
D.2.7 Solvency UK long-term guarantee and transitional measures continued
D.2.7.2 Transitional Measure on Technical Provisions (Unaudited) continued

Firstly, the regulations require inclusion of a risk margin within technical provisions, which was not required under Solvency I. Secondly, differences in the discount rate including both the definition of the risk-free curve and the extent to which the asset yield in excess of risk-free can be recognised under the different regulatory regimes. Thirdly, Solvency UK applies the concept of a 'contract boundary' for which the primary effect is that future premiums (and hence profit margins) are not taken into account on certain unit-linked savings products.

The TMTP is a deduction from the amount of Solvency UK technical provisions and is included as part of Tier 1 Basic Own Funds. In summary, the initial deduction is calculated as the difference between Solvency UK technical provisions and Solvency I technical provisions as at 1 January 2016. The deduction originally was specified to run off linearly to zero over the course of the 16-year transitional period unless a faster pace of run-off was required due to the actual run-off of the business being higher than 1/16 per annum.

PRA Policy Statement 15/24 introduced a new TMTP reporting methodology, taking effect from 31 December 2024.

A final recalculation under the previous methodology was carried out at 31 December 2024 for both PLL and RAL, with the TMTP allocated across the following components:

- An amount attributable to the risk-margin expressed as a fixed percentage of the pre-2016 Risk Margin. At future recalculations this percentage will be applied to the pre-2016 Risk Margin at that date to derive the value of this component. These percentages were derived and locked-in for PLL and RAL separately based on the 31 December 2024 TMTP.
- An amortisation amount which will accrue based on the projected value of the TMTP arising from the Risk Margin. It applies such that the TMTP contribution from Risk Margin will be zero at the end of the remaining transitional period. Its value at 31 December 2024 is zero. If the pre-2016 Risk Margin is projected to be zero on or before the end of the transitional period the amortisation amount would be zero.
- The balance, known as the non-dynamic portion, calculated and locked-in at 31 December 2024 is the difference between the TMTP attributable to the Risk Margin and the total TMTP. This amount will be linearly run-off to zero at the end of the remaining transitional period.

The new regulations permit TMTP recalculations to be carried out at each quarterly valuation or annually, and replace the previous requirements which triggered a recalculation bi-annually or following a material change in a firm's risk profile. PLL and RAL will both recalculate their TMTP quarterly.

The impact of reducing the TMTP to zero on the Solvency UK balance sheet (including technical provisions, Own Funds and SCR) is summarised below and shown in QRT IR.22.01.22 in the Appendix for the Group and each life company.

	PGH Group			PLL			RAL		
	Including TMTP £m (A)	Excluding TMTP £m (B)	Impact of removing TMTP £m (B) - (A)	Including TMTP £m (A)	Excluding TMTP £m (B)	Impact of removing TMTP £m (B) - (A)	Including TMTP £m (A)	Excluding TMTP £m (B)	Impact of removing TMTP £m (B) - (A)
Technical provisions	274,858	276,285	1,427	200,674	201,846	1,172	46,182	46,437	255
Basic Own Funds	10,140	9,305	(835)	7,104	6,441	(663)	1,865	1,693	(172)
Eligible Own Funds to meet SCR	10,365	9,530	(835)	7,104	6,441	(663)	1,865	1,693	(172)
SCR	6,850	6,909	59	4,756	4,757	1	1,051	1,109	58
Eligible Own Funds to meet MCR	n/a	n/a	n/a	7,104	6,441	(663)	1,865	1,693	(172)
MCR	n/a	n/a	n/a	1,818	1,837	19	286	288	2

In addition to the impact on technical provisions, any change in TMTP also affects the SCR for PLL and RAL. This is due to the impact of the change in TMTP on the Loss Absorbing Capacity of Deferred Tax ('LACDT') and the impact of additional management actions applied in the SCR calculation that can be used to reduce losses under stressed conditions.

D.2 Technical provisions continued
D.2.7 Solvency UK long-term guarantee and transitional measures continued
D.2.7.3 Volatility Adjustment

The Volatility Adjustment is designed to protect insurers with long-term liabilities from the impact of market volatility, by reducing the likelihood that insurers sell their risky assets when markets are falling. The Volatility Adjustment is a parallel increase in the market segment of the risk free curve. There is no change to the ultimate forward rate.

In the UK, RAL has approval from the PRA to apply a Volatility Adjustment to certain annuities in the RAL Non-Profit Fund where a Matching Adjustment is not used and for all future policyholder-related liabilities in the NMWPF and WLWPF.

PLL, SLAL, RLL, PLCL and PA(GI) do not apply the Volatility Adjustment.

In Ireland, SLIDAC has approval from the CBI to apply a Volatility Adjustment. In accordance with Solvency UK requirements, the impacts of this are eliminated from PGH Group technical provisions.

The impact of reducing the Volatility Adjustment to zero on the Solvency UK balance sheet (including technical provisions, Own Funds, SCR and MCR) is summarised below and shown in QRT IR.22.01.22 in the Appendix for the Group and RAL.

	PGH Group			RAL		
	Including Volatility Adjustment £m (A)	Excluding Volatility Adjustment £m (B)	Impact of removing Volatility Adjustment £m (B) - (A)	Including Volatility Adjustment £m (A)	Excluding Volatility Adjustment £m (B)	Impact of removing Volatility Adjustment £m (B) - (A)
Technical provisions	274,858	274,876	18	46,182	46,200	18
Basic Own Funds	10,140	10,127	(13)	1,865	1,852	(13)
Eligible Own Funds to meet SCR	10,365	10,352	(13)	1,865	1,852	(13)
SCR	6,850	6,852	2	1,051	1,053	2
Eligible Own Funds to meet MCR	n/a	n/a	n/a	1,865	1,852	(13)
MCR	n/a	n/a	n/a	286	286	–

D.2.8 Recoverables on reinsurance contracts

The amounts recoverable on reinsurance contracts are recognised as a reinsurance asset on the Solvency UK balance sheet and calculated in the same manner as the BEL. The amounts recoverable are adjusted to take account of expected losses due to default of the counterparty which is described below.

D.2.8.1 Assessment of reinsurers' default risk (counterparty default adjustment)

The regulations require that an adjustment is made to the value of the reinsurance asset to reflect the risk that a reinsurer may default on its obligations. This adjustment is known as the counterparty default adjustment ('CDA').

The CDA is the best estimate of the expected losses due to default of the reinsurance counterparty over the lifetime of the liabilities. The adjustment is calculated for each counterparty exposure as:

- the cumulative probability of default of the counterparty for the time horizon of one year; multiplied by
- an assumption for losses given default.

Further adjustments are then made to reflect the recovery rate from the reinsurer in excess of the collateral. The CDA also recognises that on default of the counterparty, additional risk margin would need to be held in respect of the recaptured liabilities. For longevity swaps, the CDA allows for the fee leg of the swap falling away on reinsurer default.

The probability of default assumptions is based on the credit rating of the counterparty. Loss given default is calculated for the collateral gap (i.e. the difference between base reinsured BEL and base value of collateral.)

There is no reinsurance with Solvency UK SPVs.

D.2 Technical provisions continued

D.2.9 Simplifications

Where it is proportionate, the Group adopts various simplifications in the calculation of BEL. These simplifications may exist within the calculation methodology, or within the valuation models themselves.

The most significant areas where such simplifications are adopted are set out below. None of these is considered to have a material impact on BEL.

D.2.9.1 Methodology simplifications

This section describes the significant simplifications within the Group's methodology for calculating the Solvency UK BEL.

Dynamic policyholder behaviour

How valuable guarantees are to policyholders will vary with economic conditions. In the PLL stochastic model for relevant business, dynamic policyholder behaviour is modelled in respect of the GAO take-up rates, where the take-up rate varies depending on the level of projected interest rates at the policyholder's retirement date.

For RAL, due to limited historical evidence of dynamic policyholder behaviour, the GAO take-up rates are modelled deterministically. Variation in economic conditions would also affect the lapse and surrender rates. However, due to a lack of relevant experience data and modelling complexity, dynamic lapse and surrender rates are not currently modelled.

D.2.9.2 Modelling simplifications

Substantially all of the Group's BEL is calculated using probability weighted averages of future cash flows. However, simplified valuation techniques have been used in certain circumstances. These simplifications are typically used where material uncertainty exists around the size, incidence or timing of liability cash flows or, where further model development is required for a more robust assessment. Examples include provisions set aside to cover items such as additional service fees, data issues, project implementation costs, impacts of system changes, impacts of regulation changes, unknown claims and litigation costs.

The Group uses the skills, knowledge and experience of actuaries, accountants and other subject matter experts to perform these assessments, which are carried out in accordance with the Group's internal framework on application of expert judgement.

The proportion of gross BEL calculated using simplified methods was less than 2%.

D.2.10 Uncertainty associated with the value of technical provisions

The sources and level of uncertainty associated with the risk margin component are described in section D.2.11.3.

The key sources and level of uncertainty associated with the BEL component of technical provisions are:

- uncertainty that future experience aligns to current best estimates in relation to demographic and economic assumptions;
- uncertainty in the timing and frequency of insured events;
- uncertainty in claim amounts, including uncertainty caused by path dependency (i.e. where the cash flows depend not only on circumstances such as economic conditions on the cash flow date, but also on those circumstances at previous dates);
- uncertainty in claims inflation;
- uncertainty in the amount of expenses and expense inflation;
- uncertainty in the actions that are assumed to be taken by management in response to changes in market conditions;
- uncertainty in expected future developments not covered by above points; and
- uncertainty in policyholder behaviour.

For PLL, RAL and PLCL, some of this uncertainty is addressed by using a stochastic model where appropriate. In particular, use of a stochastic model enables both the intrinsic and time value associated with options and guarantees to be determined with greater certainty. Use of a stochastic model also enables key dynamic policyholder behaviour and key management actions to be modelled.

Uncertainty may also emanate from the use of best estimate assumptions that did not accurately reflect the risk profile of the business being modelled. For example, demographic best estimate assumptions are typically based on an analysis of past experience with adjustments to allow for expected future trends and developments. However, these assumptions may not be borne out in practice for a number of reasons, including:

- lack of credible historical data upon which to base the assumption. This may require experience data from different homogenous risk groups being grouped, the use of relevant and credible industry data, or the assumption being set by expert judgement;
- allowance for future trends being different from expected; and
- random variation.

Any simplifications and approximations made when setting non-economic assumptions takes into account the sensitivity and materiality of the assumption.

D.2 Technical provisions continued

D.2.11 Risk margin

The risk margin is an additional amount above the BEL that is required to be held under the Solvency UK rules. It is calculated at a value to proxy for the compensation that a third party (i.e. the reference undertaking) would require to take over those liabilities. The risk margin attributable to entities within the scope of the Internal Model is unaudited.

D.2.11.1 Methodology overview

Since 31 December 2023 the calculation of the risk margin is based on a 4% per annum cost of capital rate applied to the projected reference undertaking SCR with a risk tapering factor. For life and reinsurance obligations, a risk tapering factor of 0.9 is specified in the regulations, subject to a cumulative floor of 0.25, which serves to reduce the future cost of capital in the risk margin calculation. Under the previous rules, which continue to apply in the EU, the cost of capital rate was specified at 6% and there was no allowance for a risk tapering factor.

The reference undertaking SCR is based on non-hedgeable risks only. The definition of non-hedgeable risks for the reference undertaking SCR includes:

- underwriting risk with respect to the existing business;
- credit risk with respect to reinsurance contracts counterparties, policyholders and any other material exposures related to existing business; and
- operational risk, including tax and regulatory risk.

D.2.11.2 Validation of simplified approach and level of uncertainty

A 'full' calculation of the risk margin would involve:

- a 'full' calculation of the reference undertaking SCR over all future time periods; and
- calculating the risk margin at entity level and allocating this to each LoB.

However, in practice, for the vast majority of business, the Group uses a simplified bottom-up approach such that the risk margin is initially calculated at fund LoB level by:

- allocating the time zero reference undertaking SCR to each fund and further by LoB and risk driver. For each LoB this allocation makes allowance for the expected contribution from individual risks, management actions, diversification benefits and also non-linearity. Non-modelled risks are allocated in a simplified way using LoB weightings based on modelled BEL;
- applying a 4% cost of capital charge to the 'projected' fund level LoB reference undertaking SCRs and discounting. For this purpose, the fund level LoB reference undertaking SCR is typically projected based on the run-off profile for each LoB and risk driver. This means that there are multiple run-off profiles within a fund level LoB for individual risk drivers; and
- using a time dependent risk tapering factor. The tapering factor is 0.9 for life insurance and reinsurance obligations and 1.0 for insurance and reinsurance obligations. The factor used in the calculation is the maximum of the risk tapering factor to the power of t years, or the floor of the risk tapering factor which equals 0.25.

The insurance subsidiary risk margins are then the sum of the LoB risk margins across all funds. The Group risk margin is the sum of the insurance subsidiaries' risk margins.

In order to understand the impact of the simplification used to allocate the SCR to LoBs, alternative methods of allocating the SCR to LoB and risk driver have been investigated (e.g. the impact of allocating non-modelled risks to LoB using policy counts instead of the BEL). This demonstrated that the risk margin results were relatively insensitive to the alternative allocation methods that were tested.

In order to understand the impact of the simplification used to represent the projection of the SCR, alternative run-off approaches for individual drivers were also assessed. In particular, alternative proxies to run-off the SCR were used (e.g. policy count and renewal expenses) and the sensitivity of the risk margin calculation was assessed. This showed that the risk margin results were relatively insensitive to the alternative run-off patterns tested.

D.2 Technical provisions continued
D.2.11 Risk margin continued
D.2.11.3 Uncertainty associated with the risk margin

Uncertainty attached to the risk margin calculation primarily stems from its sensitivity to interest rate movements. Sensitivity to interest rates arises because interest rate movements can have a significant second order impact of the size of the longevity risk SCR and because risk-free rates are used to discount the projected reference undertaking SCRs.

The risk tapering factor introduced as part of the PRA's 2023 reforms to Solvency II is intended to reduce the sensitivity of the Risk Margin to interest rate movements. The TMTP offset will reduce to zero by the end of the transitional period (see section D.2.7.2).

Some uncertainty also relates to the simplifications used by the Group to calculate the risk margin. However, based on the results of the validation investigations described above, the simplifications used are considered to be appropriate.

D.3 Other liabilities
D.3.1 Introduction

The valuation of other liabilities on the Solvency UK balance sheet is covered in this section. Some of the Group's liabilities are determined using alternative valuation methods which use non-observable market inputs. Further details are included in section D.4.3.

D.3.1.1 Other liabilities – PGH Group

Other liabilities as at 31 December 2024	Note	Solvency UK value £m	Statutory accounts value £m	Difference £m
Provisions other than technical provisions	1	202	202	–
Pension benefit obligations	2	1,312	1,312	–
Deposits from reinsurers	3	3,511	3,511	–
Deferred tax liabilities	4	1,642	250	1,392
Derivatives	5	3,652	3,652	–
Debts owed to credit institutions	6	802	802	–
Financial liabilities other than debts owed to credit institutions	7	1	1	–
Insurance and intermediaries payables	8	2,110	2,319	(209)
Reinsurance payables	8	164	164	–
Payables (trade, not insurance)	9	1,210	1,163	47
Subordinated liabilities (in Basic Own Funds)	10	3,282	3,501	(219)
Total other liabilities		17,888	16,877	1,011

D.3.1.2 Other liabilities – PLL

Other liabilities as at 31 December 2024	Note	Solvency UK value £m	Statutory accounts value £m	Difference £m
Provisions other than technical provisions	1	32	32	–
Deposits from reinsurers	3	1,998	1,998	–
Deferred tax liabilities	4	1,127	–	1,127
Derivatives	5	3,325	3,325	–
Debts owed to credit institutions	6	677	677	–
Financial liabilities other than debts owed to credit institutions	7	107	107	–
Insurance and intermediaries payables	8	1,066	1,191	(125)
Reinsurance payables	8	132	132	–
Payables (trade, not insurance)	9	577	577	–
Any other liabilities not elsewhere shown	11	–	23	(23)
Total other liabilities		9,041	8,062	979

D.3 Other liabilities continued
D.3.1 Introduction continued
D.3.1.3 Other liabilities – RAL

Other liabilities as at 31 December 2024	Note	Solvency UK value £m	Statutory accounts value £m	Difference £m
Provisions other than technical provisions	1	3	3	–
Deposits from reinsurers	3	53	53	–
Deferred tax liabilities	4	431	114	317
Derivatives	5	275	275	–
Debts owed to credit institutions	6	84	84	–
Financial liabilities other than debts owed to credit institutions	7	243	243	–
Insurance and intermediaries payables	8	654	699	(45)
Reinsurance payables	8	44	44	–
Payables (trade, not insurance)	9	88	88	–
Total other liabilities		1,875	1,603	272

D.3.1.4 Other liabilities – RLL

Other liabilities as at 31 December 2024	Note	Solvency UK value £m	Statutory accounts value £m	Difference £m
Provisions other than technical provisions	1	1	1	–
Deferred tax liabilities	4	62	54	8
Debts owed to credit institutions	6	4	4	–
Insurance and intermediaries payables	8	129	129	–
Reinsurance payables	8	134	134	–
Payables (trade, not insurance)	9	106	106	–
Any other liabilities not elsewhere shown	11	–	80	(80)
Total other liabilities		436	508	(72)

D.3.1.5 Other liabilities – PLCL

Other liabilities as at 31 December 2024	Note	Solvency UK value £m	Statutory accounts value £m	Difference £m
Provisions other than technical provisions	1	1	3	(2)
Pension benefit obligations	2	2	2	–
Deposits from reinsurers	3	1,460	1,460	–
Deferred tax liabilities	4	16	15	1
Derivatives	5	45	45	–
Insurance and intermediaries payables	8	70	73	(3)
Payables (trade, not insurance)	9	20	20	–
Total other liabilities		1,614	1,618	(4)

D.3 Other liabilities continued
D.3.1 Introduction continued
D.3.1.6 Other liabilities – SLAL

There are no significant other liabilities in SLAL at 31 December 2024.

D.3.1.7 Other liabilities – PA(GI)

Other liabilities as at 31 December 2024	Note	Solvency UK value £m	Statutory accounts value £m	Difference £m
Provisions other than technical provisions	1	2	2	–
Payables (trade, not insurance)	9	8	8	–
Total other liabilities		10	10	–

D.3.2 Asset and liability valuation bases, methods and main assumptions: Other liabilities

The Solvency UK valuation principles, including a description of the bases, methods and main assumptions applied for each class of other liabilities, are set out below. The valuation methods applied for statutory accounts purposes are materially consistent with Solvency UK unless otherwise stated. Furthermore, unless stated otherwise, the statutory valuation basis under IFRS and under UK GAAP are the same. As a general principle, under Solvency UK financial liabilities are measured at fair value with an adjustment to remove the effect of changes in Own Credit Standing ('OCS') from inception. There have been no significant changes to the valuation principles set out below during the year.

Note	Balance sheet item	Valuation principles
1	**Provisions (other than technical provisions)**	A provision is recognised when the Group has a present legal or constructive obligation, as a result of a past event, which is likely to result in an outflow of resources and where a reliable estimate of the amount of the obligation can be made. There are no material differences between the statutory accounts and Solvency UK valuations.
2	**Pension benefit obligations**	See section D.3.3 for further information
3	**Deposits from reinsurers**	It is the Group's practice to obtain collateral to cover certain reinsurance transactions, usually in the form of cash or marketable securities. Where such cash collateral is available to the Group for investment purposes, it is recognised as a 'financial asset' and the collateral repayable is recognised as 'deposits received from reinsurers'. These are valued consistently under UK GAAP, using a discounted cash flow methodology, however, under IFRS these balances are valued as insurance contracts under IFRS 17.
4	**Deferred tax liabilities**	See section D.1.3 for further information.
5	**Derivatives**	See section D.1.2 note 6 'Investments (other than assets held for index-linked and unit-linked contracts' for further information.
6	**Debts owed to credit institutions**	Debts owed to credit institutions primarily reflect obligations for repayment of collateral received. It is the Group's practice to obtain collateral to mitigate the counterparty risk related to OTC derivatives and certain reinsurance transactions, usually in the form of cash or marketable financial instruments. Where the Group or insurance subsidiaries receive collateral in the form of marketable financial instruments which it is not permitted to sell or re-pledge except in the case of default, it is not recognised on the balance sheet. Obligations for repayment of collateral received are valued at fair value for both statutory accounts and Solvency UK. This balance also includes the Property Reversions loan from Santander UK plc. Further details can be found in Note E.5.1 of the Group's 2024 financial statements. The Property Reversions loan is valued using an alternative valuation method, and further details are included in section D.4.
7	**Financial liabilities other than debts owed to credit institutions**	Financial liabilities other than debts owed to credit institutions are valued at fair value, consistent with the statutory accounts. No adjustment to remove change in OCS has been made as the impact would be immaterial due to the short term nature of these liabilities.

D.3 Other liabilities continued

D.3.2 Asset and liability valuation bases, methods and main assumptions: Other liabilities continued

Note	Balance sheet item	Valuation principles
8	**Insurance and intermediaries payables, Reinsurance payables**	Insurance, intermediaries and reinsurance payables primarily comprise liabilities for outstanding claims. The balances only include amounts past due as amounts not yet due are included in the cash flow projections of technical provisions and reinsurance recoverables. Under Solvency UK, all outstanding claims are measured at fair value, determined based on a probability-weighted best estimate of the liability. A different measurement basis is applied for the statutory accounts, depending on the classification of the related policy as either an insurance or investment contract, and depending on whether IFRS or UK GAAP is used as the accounting basis. For the Group and PLCL, applying IFRS for statutory accounts purposes, outstanding claims on insurance contracts are recognised under IFRS 17 within insurance contract liabilities. Investment contracts are considered to have a demand feature and accordingly the associated outstanding claims are measured at full settlement value under IFRS. For PLL, RAL and RLL, applying UK GAAP for statutory accounts purposes, outstanding claims on insurance contracts are measured consistently across UK GAAP and Solvency UK. Investment contracts are considered to have a demand feature and accordingly the associated outstanding claims are measured at full settlement value under UK GAAP.
9	**Payables (trade, not insurance)**	The valuation difference between the statutory accounts and Solvency UK is due to a deferred income liability recognised by the Service Companies in respect of payments received from the Life Companies to transfer risks associated with the costs of future regulatory change. Under the statutory accounts basis, this liability is eliminated against a corresponding prepayment in the Life Companies, however a related technical provision is recognised by the Life Companies and the Group in respect of these risks. As detailed in section D.2.2, the prepayment and technical provision are derecognised under Solvency UK.
10	**Subordinated liabilities (in Basic Own Funds)**	Under the statutory accounts basis, subordinated debt is valued on an amortised cost basis, with allowance for the deferral of directly attributable issue costs. Under Solvency UK, the liabilities are fair valued with an adjustment to remove the impact of changes in OCS since inception. This gives rise to valuation differences between the two bases, notably as the Solvency UK valuation reflects movements in market interest rates whilst the amortised cost basis used for the statutory accounts does not. Further details can be found in section E.1.
11	**Any other liabilities not elsewhere shown**	This balance sheet caption relates to deferred income balances. In the life companies' financial statements, front end fees on certain service contracts, including investment management service contracts, are deferred as a liability and amortised. In accordance with the Solvency UK valuation rules, £nil value has been allocated to deferred income balances.

D.3.3 Pension schemes

As detailed in section D.1.2, PGH has four main defined benefit staff pension schemes. In accordance with the regulations, all schemes are valued consistently with IFRS (i.e. IAS 19 valuation basis).

Full details of the valuation of the Group's defined benefit pension schemes, including key assumptions and judgements applied, are set out in Note G1 to the Group's 2024 financial statements.

D.4 Alternative methods for valuation

This section provides information on alternative valuation methods used by the Group and covers the justification for use of alternative valuation methods and the assumptions underlying this approach. An assessment of the valuation uncertainty is performed by management on a bi-annual basis and the results of such analysis are subject to internal governance processes.

There have been no significant changes in the recognition, measurement or valuation bases used for financial assets and liabilities during the reporting period.

The alternative valuation methods for assets and liabilities are shown in the sections below.

D.4.1 Alternative valuation methods – Assets

Financial assets subject to alternative valuation methods are shown in the table below, analysed by balance sheet caption.

	Solvency UK value £m									
Assets	PLL	RAL	RLL	PLCL	SLAL	PA(GI)	SLIDAC	Other Group entities	Consolidation adjustments[1]	PGH Group
Assets held for index-linked and unit-linked contracts	117,875	20,497	5,148	220	–	–	14,840	–	–	158,580
Property, plant and equipment held for own use	8	3	–	–	–	–	3	60	–	74
Property (other than for own use)	643	307	–	24	–	–	–	–	–	974
Holdings in related undertakings including participations	28,027	4,073	–	–	–	–	210	–	2,265	34,575
Corporate bonds	7,356	–	–	286	–	–	–	37	–	7,679
Government bonds	1,164	–	–	3	–	–	–	2	–	1,169
Collective Investment Undertakings	2,236	2,685	357	–	4	4	31	1,114	(2,265)	4,166
Collateralised securities	344	–	–	–	–	–	–	–	(295)	49
Equities	35	–	–	–	–	–	–	15	–	50
Derivatives	1,936	108	–	13	–	–	–	177	(65)	2,169
Loans and mortgages	5,575	2,153	98	–	–	–	162	3,375	(3,617)	7,746
Structured notes	93	–	–	–	–	–	–	1	–	94

1 Consolidation adjustments include the elimination of intragroup transactions and reclassification of holdings in collective investment undertakings in which the Group's holding is greater than 20%.

D.4.1.1 Justifications for use of alternative valuation methods and underlying assumptions – Assets

Assets held for index-linked and unit-linked contracts

This balance largely consists of investments in collective investment undertakings. For the relevant justification and underlying assumptions refer to 'Holdings in related undertakings including participations and Collective Investment Undertakings' section below.

Property, plant and equipment held for own use

Property owned by the Group is valued on an open market basis by accredited independent valuers in accordance with Royal Institution of Chartered Surveyors ('RICS') requirements, which is deemed to equate to fair value.

For leased property, right-of-use assets are valued at cost less depreciation/impairment, adjusted for certain remeasurements of the associated lease liability. This is considered to materially reflect the fair value of such assets for the Group. Further details are included in note G3 of the Group's 2024 financial statements.

D.4 Alternative methods for valuation continued

D.4.1 Alternative valuation methods – Assets continued

D.4.1.1 Justifications for use of alternative valuation methods and underlying assumptions – Assets continued

Property (other than own use)

This balance consists of investment property which is subject to alternative valuation methods due to the absence of a tradable financial market in which identical or similar properties are frequently exchanged to provide common and credible market prices. Investment properties are valued in accordance with the Royal Institute of Chartered Surveyors ('RICS') guidelines by independent accredited valuation specialists.

The Group uses property valuation experts to support the valuation of all investment property held within property funds. The process for valuing investment properties includes a degree of subjectivity in estimating the probability of realising expected future rental income and future resale values. Property valuations are broadly made using two types of assumptions:

- property-specific assumptions (e.g. opinions of market rent); and
- valuation assumptions (outlined in the annual valuation report, the contract and general terms of business).

Property valuation experts and surveyors adhere to the professional reference known as the RICS 'Red Book' when making valuation assumptions. The Red Book contains mandatory rules, best practice guidance and related commentary for all members of RICS conducting property valuations. It also offers a useful reference resource for valuation users and other stakeholders.

The Group's insurance subsidiaries also hold property reversionary loans, an interest in customers' properties which the Group will realise upon death. These are valued using a discounted cash flow model based on the Group's proportion of the current open market value, and discounted for the expected lifetime of the policyholder derived from published mortality tables. Note G4 of the Group's 2024 financial statements includes further information on the valuation techniques used in measuring the fair value of the investment properties.

Holdings in related undertakings including participations and Collective Investment Undertakings

Includes investments in open-ended investment companies, unit trusts, hedge funds and private equity investments. Investments are classified as 'Holdings in related undertakings including participations' where the Group holds voting rights or capital of 20% or more.

The alternative valuation method approach is applied where observable market data is not available. Holdings are valued by independent specialists using non-observable market inputs such as net asset value statements. The key non-observable market inputs are unit prices published by, or net asset value statements received from, fund managers. In situations where valuations are received at a date other than the balance sheet date, adjustments are made for subsequent drawdowns and distributions.

Corporate bonds

This balance includes illiquid fixed income securities such as private corporate credit, infrastructure loans and hard to price bonds. These assets are valued using proxies and non-observable market inputs due to the unavailability of actively traded market prices. The assets are valued by external fund managers using approved valuation methodologies mainly discounted cash flow ('DCF') models. The external fund manager valuations are overseen by the Group through valuation oversight, independent price verification ('IPV') and management committee approval of valuation methodologies. The external valuation approaches, judgements and reported valuations are routinely challenged and, if required, IPV adjustments are discussed and proposed.

The valuation spread or discount rate in the DCF for these assets includes two main components above an appropriate risk free reference: a market credit spread based on a basket of comparable public corporate bond spreads with similar tenors and risk to the illiquid asset; and an unobservable illiquidity premium determined by approved and reputable external fund managers or vendors (based on idiosyncratic characteristics of the illiquid asset against the comparable basket).

Government bonds

This class of asset mainly includes illiquid bonds such as local authority loans and loans guaranteed by export credit agencies. The alternative valuation method for illiquid corporate bonds is discussed above and is also applicable for these assets.

The market spread component is selected based on relevant public sub-sovereign or quasi-Government comparable bonds. In some cases, such as export credit agencies, an explicit government guarantee may be in place. In relative terms, this asset class is exposed to less credit risk with the main consideration being liquidity risk since a direct publicly traded comparable may not be available or is likely to be thinly held and traded with insufficient depth of market data.

Collateralised securities

The life companies hold internally securitised ERM loan notes which are valued using an equation of value approach, which means that the aggregate value of the notes equal the value of underlying loans, other than frictional costs. The use of alternative valuation methods to price equity release mortgage and related collateralised loan note assets is justified because no actively traded market prices are available. The specific approach for equity release mortgages is discussed below.

D.4 Alternative methods for valuation continued
D.4.1 Alternative valuation methods – Assets continued
D.4.1.1 Justifications for use of alternative valuation methods and underlying assumptions – Assets continued

Loans and mortgages

This balance consists of ERM, commercial real estate loans ('CREL') and other loans and mortgages (including intra-group loans). The alternative valuation method approach is applied given these investments generally have no open market observable prices.

The alternative valuation method applied to ERM is an internally developed discounted cash flow model, using appropriate assumptions corroborated with external market data where possible (e.g. house price index). A Black-Scholes model is also used for valuation of the No-Negative Equity Guarantee ('NNEG'). The NNEG caps the loan repayment in the event of death or entry into long-term care to be no greater than the sales proceeds from the property. The future cash flows are estimated based on assumed levels of mortality derived from published mortality tables, entry into long-term care rates and voluntary redemption rates. They are discounted using a risk free curve plus a spread to reflect different risk profiles of ERM loans. The spread for ERM loans is determined based on the most recent loan originations.

Other loans are valued using an income approach, which converts future amounts, such as cash flows or income or expenses, to a single current amount. The fair value reflects current market expectations about those future amounts. Valuation techniques consistent with the income approach include present value techniques, option pricing models and the multi-period excess earnings method.

Equities

Unlisted equities are valued using net asset statements or broker quotes due to quoted market prices not being available.

Derivatives

The value of most derivative positions is vendor sourced. However, certain derivative positions, such as longevity swaps, are valued using alternative valuation techniques. The Group's insurance subsidiaries hold certain derivative positions to hedge very long-term annuity liabilities which may not have an active market. Forward contracts are also held by the insurance subsidiaries, which include a commitment to acquire or provide funding for illiquid debt instruments at specified future dates. Such holdings are valued using discounted cash flow models, and will include a valuation adjustment to reflect reduced liquidity. The Group uses industry standard pricing models using the derivative contract specifics. Such models use market observable metrics sourced from external data providers for contracts with optionality and volatility such as currency exchange rates, index values, current (and forward) interest rate curves in a given currency.

Structured notes

This balance largely includes illiquid bonds such as private placements. For the relevant justification and underlying assumptions refer to 'Corporate bonds' section above.

D.4.2 Alternative valuation methods – Liabilities

Financial liabilities subject to alternative valuation methods are outlined below.

For SLAL, RLL and PA(GI) there are no liabilities valued using alternative methods as at 31 December 2024.

	PLL	RAL	PLCL	SLIDAC	Other Group entities	Consolidation adjustments	PGH Group
Liabilities	£m	£m	£m	£m	£m	£m	£m
Deposits from reinsurers	1,998	53	1,460	–	–	–	3,511
Derivatives	3,320	265	45	3	68	(65)	3,636
Debts owed to credit institutions	31	–	–	–	–	–	31
Subordinated liabilities in Basic Own Funds	–	–	–	–	3,282	–	3,282

D.4.2.1 Justifications for use of alternative valuation methods and underlying assumptions – Liabilities

Deposits from reinsurers

A discounted cash flow model is used whereby contractual cash flows are discounted using a swaps-based risk-free curve.

Derivatives

Valued using the same methodology and assumptions as applied to derivative assets set out in section D.4.1.1.

Debts owed to credit institutions

An internally developed model based on a combination of observable and non-observable market inputs is used for the valuation of refinancing loans that are included in this balance. This model uses various assumptions including discount rate (based on asset duration, adjusted for liquidity and mortality risk) and house price inflation.

D.4 Alternative methods for valuation continued

D.4.2 Alternative valuation methods – Liabilities continued

D.4.2.1 Justifications for use of alternative valuation methods and underlying assumptions – Liabilities continued

Subordinated liabilities in Basic Own Funds

A discounted cash flow approach is used with the discount rate set based on market risk free yields as at the balance sheet date plus the initial credit spread at the time of issuance of each subordinated bond. This has the effect of valuing each bond on a fair value basis excluding changes in own credit standing.

D.4.3 Assessment of valuation uncertainty surrounding alternative valuation methods used

This section outlines valuation uncertainty surrounding the alternative valuation methods discussed in section D.4.1. and D.4.2.

Investment properties

Commercial and residential properties are traded less frequently and therefore a lack of liquidity increases the challenge to easily assess and attribute accurate prices. Inherent uncertainties prevail in any method of valuing property. There are different types of uncertainty which include:

- property valuations based on opinion which cannot be quantified;
- market conditions at the time of valuation (particularly in rapidly moving markets);
- property-specific issues (e.g. judgement as to whether a tenant will vacate at lease expiry or renew); and
- investment approach.

Valuation assessments are made on the basis of collation and analysis of appropriate comparable investment and rental transactions, together with evidence of demand within the vicinity of the respective properties. With the benefit of such transactions, valuation experts then apply these factors to individual properties, taking into account size, location, lease terms, covenant strength and other material applicable factors. Uncertainty is further reduced by harnessing multiple sources of quality information, including external benchmarks, in-house and industry-specific databases.

Other valuation uncertainties concern properties where few or no similar properties exist within close vicinity upon which to base a valuation opinion. A scarcity of comparable local properties places greater weighting on the surveyors' own opinion. While there is an element of subjectivity to a surveyor's assessment, each valuation should be reviewed and subject to sign-off. Further analysis may be undertaken by property analysts to independently review a valuation, discuss their findings with the surveyor and provide a report updating senior management or partners to secure a final decision.

Illiquid bonds

All models are subject to limitations and uncertainties. For illiquid bonds, the individual spreads applied for given characteristics can vary depending on assumptions, data availability and market participant knowledge. While these illiquid bonds are not generally traded actively in an open market there is an active new issue market and assets are traded between willing buyers and sellers. Valuation uncertainty risk is reduced by taking valuation advice from fund management experts who deal frequently in these asset types, whether that is on the primary issue market or the secondary market. The residual valuation uncertainly inherent in these asset types is not considered to be material with respect to the overall size of the portfolio.

An internal documented approach is in place to review and approve valuation uncertainty for illiquid assets. Depending on the asset class, valuation uncertainty can incorporate credit spread uncertainty, Idiosyncratic (illiquidity) uncertainty and rating uncertainty.

Valuation uncertainty ranges are calculated by external managers, the ranges are reviewed in line with an internal policy. Valuation uncertainty ranges are also used as an input into the oversight approach for illiquid assets to determine exceptions between external valuation and internal expectations. New illiquid assets are subject to a market consistency check which reviews the appropriateness of the idiosyncratic component of the valuation spread as a proxy for illiquidity uncertainty.

Valuation uncertainty is monitored and reported to the relevant committee on a regular basis.

Equity Release Mortgages

As part of the Group’s internal risk management processes, sensitivity analysis is performed to quantify reasonable alternative assumptions for the significant inputs to the discounted cash flow model. The significant sensitivities arise from movements in the yield curve, inflation rate, house prices, mortality and voluntary redemption rate. Note E.2.3 of the Group’s 2024 financial statements includes the details of the unobservable inputs and the sensitivity analysis based on these unobservable inputs.

D.4 Alternative methods for valuation continued

D.4.3 Assessment of valuation uncertainty surrounding alternative valuation methods used continued

Collective Investment Undertakings and private equity investments

Data and information availability, the models employed and valuers' assumptions can contribute to the valuation uncertainty of private equity collectives. Different fund managers can value the same investment differently. This may be observed in cross held investments demonstrating that two managers can both value the same asset using recognised valuation methodologies and arrive at differing views on fair value.

Information on secondary markets can show funds trading at discount to NAV, or even evidence of some positions trading at a premium. However, the motivation of sellers is wide and varied, and if there is a small market of buyers, this may present issues including liquidity constraints. This is likely to occur when activities such as portfolio rebalancing, and strategic withdrawals from private equity have taken place.

Various additional data points are considered including fund manager insights, alternative valuations and other observable proxy data to determine a sensitivity range for private equity collectives.

Derivatives

Valuation uncertainties are reduced by using market observable data in pricing models wherever this is possible. In addition, model results are subject to price verification review as part of the standard price verification process.

D.4.4 Comparison of the valuations against experience

Investments valued by alternative valuation methods are generally towards the more illiquid end of the scale and in some cases, particularly illiquid credit investment and mortgages and loans, they will often be held to maturity. In such cases the valuations used, which reflect cash flows at an appropriate discount rate, will be a close match to actual experience. Independent price verification is also performed on such assets to validate the credit spreads used by the external asset managers.

Property assets are also infrequently traded with disposals often reflecting a particular opportunity. That opportunity might be both positive (to realise an asset premium to valuation) or negative (to dispose of a poorly performing property or one that no longer fits the strategic aim of the property portfolio). While this may mean that experience of property assets is that they can realise both a premium and a discount to valuation, overall property valuations would be supported by values realised from disposals. Over time, the Group has not experienced material detriment from the realisation of property below the valuation attributed in the balance sheet.

In the derivatives market, prices are generally set using standard derivative models and the Group would expect to be able to realise derivative assets at or close to balance sheet valuation if that was required.

Assessment of the fair valuation of holdings in collective investment undertakings includes assessment of last NAV date, consideration of the sector mix of underlying investments, review of transactions (such as, disposals and realisations), and assessment of market movements at a portfolio level relative to benchmark indices.

Further details regarding the impact of reasonably possible changes in valuation inputs, including a sensitivity analysis showing how these changes affect the assets valuation, are set out in notes E2.3 and G4 of the Group's 2024 financial statements. Sensitivity analysis for the insurance subsidiaries is shown in the financial instrument and risk management notes of the individual financial statements for the year ended 31 December 2024. All figures quoted reflect the impact to both the assets valuation and the Basic Own Funds of the sensitivity being applied.

D.5 Any other information

D.5.1 Matching Adjustment Attestation (unaudited)

In accordance with the regulations, the Finance Director of PLL and RAL has attested to the PRA that the fundamental spread used in calculating the Matching Adjustment reflects compensation for all retained risks and the Matching Adjustment can be earned with a high degree of confidence from the assets held in the relevant portfolios of assets.

D.5.2 Any other information

There is no further material information to be disclosed regarding the valuation of assets and liabilities for solvency purposes.

In this section

Capital management

Capital management

This section provides information on the Group and insurance subsidiaries' regulatory capital positions.

The Solvency UK capital assessment involves valuation of Own Funds in line with the Own Funds Part of the PRA Rulebook and a risk-based assessment of the SCR. Solvency II surplus is the excess of Eligible Own Funds over the SCR.

The Group and each of the insurance subsidiaries hold an amount of Eligible Own Funds that is greater than the SCR to allow for adverse events in the future that may reduce Own Funds.

The SCR, shareholder coverage ratios and availability restrictions applied to Own Funds mentioned throughout this section, with the exception of the Standard Formula SCR of RAL, RLL and PLCL, are unaudited.

As at 31 December 2024, the capital position for the Group and its insurance subsidiaries is presented in the table below:

31 December 2024	Eligible Own Funds £m	SCR £m	Solvency II surplus £m	Ratio of Eligible Own Funds to SCR %	Shareholder capital coverage ratio %
PLL	7,104	(4,756)	2,348	149%	177%
RAL	1,865	(1,051)	814	177%	192%
RLL	165	(13)	152	1,269%	1,269%
PLCL	297	(166)	131	179%	179%
SLAL[4]	4	(3)	1	120%	120%
PA(GI)	11	(10)	1	108%	103%
SLIDAC	611	(344)	267	177%	177%
PLAE	112	(46)	66	246%	246%
Other Group entities[1]	39,816	(653)	39,163		
Consolidation and other adjustments[2]	(39,620)	192	(39,428)		
PGH Group 31 December 2024[3]	10,365	(6,850)	3,515	151%	172%
PGH Group 31 December 2023	11,069	(7,210)	3,859	154%	176%

1 Other Group entities includes the Eligible Own Funds of PRL, the Group's holding companies and non-insurance subsidiaries and include the contribution of Group pension schemes and subordinated liabilities qualifying as capital for solvency purposes.
2 Group consolidation adjustments include the elimination of intercompany balances and participations.
3 The Group's Solvency II surplus at 31 December 2024 and at 31 December 2023 incorporates a recalculation of TMTP at each respective date.
4 The capital requirements and solvency ratio for SLAL are based on the MCR, as this is greater than the SCR.

As at 31 December 2024, the Group's Solvency II surplus over the consolidated Group SCR is £3,515 million (2023: £ 3,859 million), with a ratio of Eligible Own Funds to SCR of 151% (2023: 154%).

59% of the Group's Eligible Own Funds are unrestricted Tier 1 (2023: 61%), and are principally comprised of ordinary share capital, share premium related to ordinary share capital, surplus funds and the reconciliation reserve. This includes TMTP which is included in the calculation of Basic Own Funds as Tier 1 capital.

All the required SCR quantitative limits have been complied with for the Group and insurance subsidiaries, and result in no restrictions nor are any Own Funds required to be relegated to lower tiers.

Further details regarding the capital position of each of the insurance subsidiaries are set out in section E.1.

Shareholder Capital Coverage ratio

In the calculation of the Solvency II surplus, the SCR of unsupported with-profit funds and the Group pension schemes are included, but the related Eligible Own Funds are recognised only to a maximum of their respective SCR amounts. Surpluses that arise in with-profit funds and the pension schemes are therefore not recognised in the Solvency II surplus as there is uncertainty as to the extent (if any) to which such surpluses will accrue to shareholders. However, such surpluses are available to absorb economic shocks, thereby increasing resilience to economic stresses.

The Group focuses on the metric of shareholder capital coverage ratio as a more appropriate measure of the extent to which shareholders' Eligible Own Funds cover the capital requirements. It is defined as the ratio of Eligible Own Funds to SCR, after adjusting to exclude Own Funds and SCR amounts relating to unsupported with-profit funds and the unsupported Group pension schemes.

The Shareholder Capital Coverage ratio of PGH Group is 172% as at 31 December 2024 (2023: 176%).

E.1 Own Funds and analysis of solvency position

E.1.1 Management of own funds

The Group's Capital Management Framework for managing its Own Funds is designed to achieve the following objectives:

- to provide appropriate security for policyholders and meet all regulatory capital requirements under the Solvency UK regime while not retaining unnecessary excess capital;
- to ensure sufficient liquidity to meet obligations to policyholders and other creditors;
- to manage the leverage position, including optimisation of the Solvency II leverage ratio and the Fitch leverage ratio to maintain an investment grade credit rating; and
- to maintain a dividend policy to pay an ordinary dividend that is progressive and sustainable.

The Group and its insurance subsidiaries operate under a suite of capital management policies that govern the allocation of capital throughout the Group to achieve the framework objectives under a range of stress conditions. The policy suite considers policyholder security, creditor obligations, dividend policy and regulatory capital requirements.

A liquidity policy is set by the Boards and monitored at least monthly at both executive and Board level. The policy ensures sufficient liquidity to meet creditor and dividend obligations through a combination of cash buffers and regular cash flow forecasting. Volatility in the latter is monitored at executive and Board level through stress and scenario testing. Where cash flow volatility is judged to be in excess of the relevant Board's risk appetite, de-risking activities are undertaken. Further details on the Group's approach to managing liquidity risk are provided in section C.4.

A capital policy is also set by the relevant Boards and monitored by management regularly, to ensure there is sufficient capital to meet the SCR under stress conditions which are currently determined at a 1-in-10 level. The capital policy is managed according to the risk profile and financial strength of the Group and insurance subsidiaries.

The future capital position of the Group and its insurance subsidiaries is projected over a three-year planning horizon as part of the Annual Operating Plan process.

SLIDAC and PLAE operate their own Capital Management Framework, details of which can be found in section E.1.2 of their solo SFCRs.

E.1.2 Structure and quality of own funds

Own Funds are split into Tiers in line with the regulations. There are three Tiers based on both 'permanence' and 'loss absorbency' (Tier 1 being the highest quality). Tier 1 is further divided into 'unrestricted' and 'restricted' Tier 1.

Own Funds which are classified as 'unrestricted' Tier 1 include share capital, surplus funds and the reconciliation reserve. Relevant Own Funds items which are classified as 'restricted' Tier 1 are certain subordinated liabilities.

The regulations impose limits on the amount of capital from each Tier that is eligible to cover capital requirements with the aim of ensuring that the items will be available if needed to absorb any losses that may arise. Items with a fixed duration or a right to redeem early may not be available when needed. Similarly, obligations to pay distributions or interest will reduce the amount available. The rules on 'tiering' are designed to reflect the existence of such features.

Own Funds, in addition to Basic Own Funds, include Ancillary Own funds which consist of items that can be called up to absorb losses such as (a) unpaid share capital or initial fund that has not been called up; (b) letters of credit and guarantees; and (c) any other legally binding commitments received by insurance and reinsurance undertakings. There are no Ancillary Own Fund items included in the Group's solvency position.

E.1 Own Funds and analysis of solvency position continued
E.1.3 Analysis of solvency position – PGH Group

The table below sets out a summary of the PGH Group's solvency position as at 31 December 2024.

		31 December 2024					31 December 2023
Description	Section reference	Tier 1 (Unrestricted) £m	Tier 1 (Restricted) £m	Tier 2 £m	Tier 3 £m	Total £m	Total £m
Ordinary share capital and share premium	E.1.3.1	116	–	–	–	116	116
Surplus funds	E.1.3.1	4,480	–	–	–	4,480	4,554
Reconciliation reserve (pre-availability restrictions)[1]	E.1.3.1	4,860	–	–	–	4,860	5,246
Deferred tax assets	E.1.3.1	–	–	–	420	420	357
Preference shares (Tier 1 Notes)	E.1.3.1	–	500	–	–	500	500
Excess of assets over liabilities		9,456	500	–	420	10,376	10,773
Subordinated liabilities	E.1.3.2	–	597	2,447	238	3,282	3,513
Total Basic and Own Funds[1]		9,456	1,097	2,447	658	13,658	14,286
Availability restrictions in reconciliation reserve[1,2]	E.1.3.3	(3,293)			–	(3,293)	(3,217)
Eligible Own Funds to meet SCR		6,163	1,097	2,447	658	10,365	11,069
Consolidated Group SCR[2]	E.1.3.4					(6,850)	(7,210)
Solvency II surplus						3,515	3,859
Ratio of Eligible Own Funds to SCR						151%	154%
Shareholder capital coverage ratio						172%	176%

1 Total Basic and Own Funds do not agree to that presented on the Own Funds QRT due to the different presentation of the availability restrictions and Own Funds of other financial sectors in the table above. The reconciliation reserve as shown on the Own funds QRT includes the reconciliation reserve (pre availability restrictions) amount of £4,860 million and restrictions to own funds of £(3,293) million. Further details on the restrictions to own funds are provided in section E.1.3.3. The Own Funds of other financial sectors value of £216 million is excluded from the basic own funds line in the QRT and shown in a separate line.

2 Availability restrictions in reconciliation reserve and consolidated Group SCR are unaudited.

Capital requirements for the Group continue to be determined on a Partial Internal Model ('PIM') basis, with the standard formula utilised for the ReAssure entities, the Phoenix Life CA entities, SLIDAC, PLAE and the Bermudan Entities. All other Group entities fall within the scope of the Internal Model.

E.1.3.1 Basic Own Funds

The PGH Group Basic Own Funds before availability restrictions total £13,658 million (2023: £14,286 million) and comprise of ordinary share capital, share premium related to ordinary share capital, surplus funds, a reconciliation reserve, subordinated liabilities, preference shares and deferred tax assets. Further details regarding each of these items of Basic Own Funds are set out below.

Ordinary share capital and share premium

The Group's issued and fully paid up ordinary share capital and share premium of £116 million (2023: £116 million) is treated as Tier 1 unrestricted Own Funds. The Articles of Association of PGH include the right to cancel and withhold dividends at any time prior to payment.

Surplus funds

The Group Basic Own Funds include surplus funds of £4,480 million (2023: £4,554 million) which are classified as Tier 1 unrestricted Own Funds.

Surplus funds represent accumulated profits within a with-profit fund which have not yet been made available for distribution to policyholders or shareholders. They satisfy the characteristics of Tier 1 capital because they will only be distributed in the future if it is appropriate to do so and are loss-absorbent because future distributions can be reduced if the amount of accumulated profits reduces due to future losses.

Surplus funds are generally only available to meet losses arising within the relevant with-profit fund. As a result, they are subject to Ring Fenced Fund ('RFF') restrictions to the extent that they exceed the with-profit fund's notional SCR. Further information on RFF restrictions can be found in section E.1.3.3.

E.1 Own Funds and analysis of solvency position continued
E.1.3 Analysis of solvency position – PGH Group continued
E.1.3.1 Basic Own Funds continued
Preference shares (Tier 1 Notes)

On 26 April 2018, Old PGH (the Group's ultimate parent undertaking up to December 2018) issued £500 million of Restricted Tier 1 bonds due 2028 with a coupon of 5.75% up to the first call date of 26 April 2028. On 12 December 2018, PGH plc was substituted in place of Old PGH as issuer. The Restricted Tier 1 bonds meet the definition of equity under IFRS. In line with PRA guidance they are reflected as preference shares in the Own Funds QRT.

The Tier 1 Notes will be subject to conversion to ordinary shares of PGH plc at the conversion price of £1,000 per share, subject to adjustment in accordance with the terms and conditions of the notes, and all accrued interest would be cancelled, on occurrence of any of the following trigger events:

- the amount of Own Fund Items eligible to cover the SCR is equal to or less than 75 percent of the SCR;
- the amount of Own Fund Items eligible to cover the MCR is equal to or less than the MCR; or
- a breach of the SCR has occurred and such breach has not been remedied within a period of three months from the date on which the breach was first observed

Further information on the Tier 1 Notes is included in note D4 of the 2024 PGH consolidated financial statements.

Reconciliation reserve (pre availability restrictions)

The reconciliation reserve is treated as Tier 1 unrestricted Own Funds and is primarily made up of the excess of assets over liabilities, reduced by the following items:

- ordinary share capital;
- share premium;
- surplus funds;
- preference shares; and
- deferred tax assets

Additionally, the reconciliation reserve is reduced by availability restrictions, described further in section E.1.3.3.

The movement in the excess of assets over liabilities represents the net profits generated by the Group. The reconciliation reserve may be subject to potential volatility and further details regarding the impact of various sensitivities on the excess of assets over liabilities which forms part of the Own Funds calculation are set out in section C.7.2.

Deferred tax assets

A deferred tax asset of £420 million (2023: £357 million) is included as Tier 3 Own Funds and further detail is included in section D.1.3. The table below sets out an analysis of movement in the deferred tax assets during the year. The eligible amount of tier 3 capital shall not exceed 15% of the SCR. The application of this rule has resulted in no restriction at 31 December 2024 (2023: £nil).

	£m
Opening deferred tax assets (Tier 3) at 1 January 2024	357
Trade and capital losses carried forward	206
Expenses carried forward	(123)
Accelerated capital allowances	2
Provisions and other temporary differences	50
Change in offset of deferred tax asset and liabilities	(72)
Closing deferred tax assets (Tier 3) at 31 December 2024	420

E.1 Own Funds and analysis of solvency position continued
E.1.3 Analysis of solvency position – PGH Group continued
E.1.3.2 Subordinated Debt

Issuer	Nominal	Coupon	Issued	Maturity date	31 December 2024 Solvency II Value £m	31 December 2023 Solvency II Value £m
PGH	US$500 million Contingent Convertible Tier 1 notes	8.500%	12 June 2024	Perpetual (with optional redemption between 12 December 2029 and 12 June 2030)	**398**	–
PGH	US$750 million Contingent Convertible Tier 1 notes redeemed on 4 February 2025 (Note A)	5.625%	29 January 2020	Perpetual	**199**	569
PGH	£428 million Tier 2 subordinated debt	6.625%	23 January 2015	18 December 2025	**192**	189
PGH	US$500 million Tier 2 bonds	5.375%	6 July 2017	6 July 2027	**381**	372
PGH	€500 million Tier 2 bonds	4.375%	24 September 2018	24 January 2029	**394**	404
PGH	£500 million Tier 2 notes	5.625%	28 April 2020	28/04/2031 (with optional redemption from 28 January 2031)	**411**	418
PGH	US$500 million Fixed Rate Reset Tier 2 notes	4.750%	4 June 2020	4 September 2031 (with optional redemption between 4 June and 4 September 2026)	**266**	253
PGH	£500 million Tier 2 subordinated notes	5.867%	13 June 2019	13 June 2029	**456**	463
PGH	£250 million Fixed Rate Reset Callable Tier 2 subordinated notes	5.766%	13 June 2019	13/06/2029 (with option to call on 13 June 2024 which the Company exercised)	–	248
PGH	£350 million Tier 2 bonds	7.750%	6 December 2023	6 December 2053 ((with optional redemption between 6 June and 6 December 2033)	**347**	364
PGH	£250 million 4.016% Tier 3 subordinated notes	4.016%	13 June 2019	13 June 2026	**238**	233
					3,282	3,513

Note

A: Trigger events for US$750 million Contingent Convertible Tier 1 notes

The Contingent Convertible Tier 1 Notes will be subject to conversion to ordinary shares of PGH plc at the conversion price of US $1,000 per share, subject to adjustment in accordance with the terms and conditions of the notes and all accrued and unpaid interest will be cancelled, on occurrence of any of the following trigger events:

(a) the amount of Own Fund items eligible to cover the SCR is equal to or less than 75 percent of the SCR;

(b) the amount of Own Fund items eligible to cover the MCR is equal to or less than the MCR; or

(c) a breach of the SCR has occurred and such breach has not been remedied within a period of three months from the date on which the breach was first observed.

E.1 Own Funds and analysis of solvency position continued
E.1.3 Analysis of solvency position – PGH Group continued
E.1.3.2 Subordinated Debt continued

The table below sets out the changes in subordinated debt during the year.

Movement in subordinated debt by tier	At 1 January 2024 £m	New borrowings £m	Repayment of subordinated debt £m	Foreign exchange retranslation £m	change in fair value £m	At 31 December2024 £m
Restricted Tier 1	569	390	(393)	13	18	597
Tier 2	2,711	–	(250)	(7)	(7)	2,447
Tier 3	233	–	–	–	5	238
Total subordinated debt	3,513	390	(643)	6	16	3,282

On 12 June 2024 the Group issued $500 million fixed rate reset perpetual restricted tier 1 contingent convertible notes which are unsecured and subordinated. The notes have a first reset date from 12 December 2029 and 12 June 2030.

On 13 June 2024, the Group redeemed the £250 million Fixed Rate Reset Callable Tier 2 subordinated notes at their principal amount together with accrued and unpaid interest to the redemption date.

On 18 June 2024, the Group repurchased $500 million of the principal amount of the $750 million fixed rate reset perpetual restricted tier 1 contingent convertible notes. The remaining principal amount of these notes at 31 December 2024 is $250 million.

Under IFRS, subordinated debt is measured either at amortised cost. Under Solvency II, subordinated debt is valued on a fair value basis, with changes in own credit standing removed for subsequent measurement. There are no subordinated notes in issue that are subject to the transitional measures prescribed by Solvency UK rules.

E.1.3.3 Availability restrictions, foreseeable dividends and own shares deductions

As shown in the summary table of the PGH Group's solvency position (see section E.1.3), the total non-available Group Own Funds are £(3,293) million (2023: £(3,217) million). Further details on each of the restrictions are included below.

	31 December 2024 £m	31 December 2023 £m
Adjustment for restricted Own Funds items in respect of RFF	(2,519)	(2,194)
Non-available Own Funds – pension scheme surplus	(207)	(352)
Deduction – foreseeable dividends and distributions	(278)	(269)
Non-available Own Funds – PLL availability restriction[1]	(50)	(192)
Non-available Own Funds – Disposal Group restriction[1]	(170)	(128)
Deduction – own shares restriction	(18)	(16)
Non-available Own Funds – EU UK Risk Margin Difference[1]	(51)	(66)
Total non-available Own Funds	(3,293)	(3,217)

1 PLL availability restriction, disposal group restriction and EU UK Risk margin difference restriction are unaudited.

Ring Fenced Funds restriction

The regulations specify that certain Own Funds items in with-profit funds and Matching Adjustment portfolios should be restricted. The with-profit funds and Matching Adjustment portfolios in the Life Companies are treated as RFFs. This means they can only be included in the calculation of Group solvency at an amount less than or equal to the notional SCR of the RFF.

The items of Own Funds within each with-profit RFF are the value of surplus funds, future shareholder transfers, and any shareholder capital support received. Any Own Funds above SCR in the Matching Adjustment portfolios are also restricted and also shown as a deduction to the reconciliation reserve.

There are no restrictions for Matching Adjustment portfolios at 31 December 2024 (2023: £nil).

The with-profit RFF deduction from the reconciliation reserve of £2,519 million (2023: £2,194 million) comprises £1,824 million (2023: £1,564 million) from PLL RFFs, £694 million (2023: £629 million) from RAL RFFs and £1 million (2023: £1 million) from PLCL RFFs.

The excess of assets over liabilities across all RFFs in the PGH Group which are subject to restriction and Matching Adjustment portfolios are £5,544 million (2023: £5,906 million).

E.1 Own Funds and analysis of solvency position continued

E.1.3 Analysis of solvency position – PGH Group continued

E.1.3.3 Availability restrictions, foreseeable dividends and own shares deductions continued

Pension scheme surplus restriction

Pension scheme surpluses are not considered to be available to cover the Group SCR and are therefore only included up to the contribution to the Group SCR of the undertaking that recognises the surplus.

As at 31 December 2024, £nil (2023: £107 million) of the PGL Scheme surplus, £145 million (2023: £205 million) of the Pearl Group Scheme surplus, £39 million (2023: £23 million) of the ReAssure Staff Pension Scheme surplus, £10 million (2023: £nil) of the Abbey Scheme surplus and

£13 million (2023: £17 million) of the PLCL Scheme surplus was restricted. The pension scheme surpluses used in the calculation of these restrictions allowed for assets held in ring-fenced accounts for the benefit of the pension schemes and included the elimination of any intra-group 'buy-out' arrangements in place between the pension schemes and PLL (see PLL availability restriction, below, for further details). As the 'buy-out' transaction between the trustees of PGL Pension Scheme and PLL has completed in January 2024, the Group's obligations under the pension scheme have now been fully extinguished.

Foreseeable dividends and distributions

A restriction of £278 million has been recognised as at 31 December 2024 (2023: £269 million), reflecting dividends on ordinary shares which have been approved by the Board at the time of sign-off of the SFCR together with the accrued coupon on the Tier 1 Notes.

PLL availability restriction

The contribution of each entity to the PGH Group Solvency II surplus is restricted if the Group benefits from the elimination of intra-group transactions compared to an entity's solo position, where those benefits are not backed by fungible and transferable Own Fund items.

PLL has entered into four 'buy-in' agreements with the Pearl Group Scheme (further details can be found in notes G1.1 to the 2024 PGH consolidated financial statements. Following the elimination of intra-group amounts in relation to these transactions, the contribution of PLL to the Group's Solvency II surplus exceeded its solo Solvency II surplus by £50 million (2023: £192 million). Accordingly, a restriction of the same amount has been applied to Group Own Funds. The contribution amount decreased as the 'buy-out' transaction with PGL Scheme completed during the year.

Disposal Group restriction

In February 2021, as part of a wider transaction to simplify the arrangements of their Strategic Partnership, the Group agreed to sell its UK investment and platform-related products comprising Wrap Self Invested Personal Pension ('Wrap SIPP'), Onshore Bond and UK Trustee Investment Plan ('TIP') to Aberdeen Group plc (formerly abrdn plc), trading as Aberdeen. The economic risk and rewards from this business transferred to Aberdeen effective from 1 January 2021 via a profit transfer arrangement ahead of an anticipated Part VII transfer.

A rescoping exercise was conducted prior to 31 December 2023 with Aberdeen, and it was agreed that the insured funds elements of Wrap SIPP and Onshore Bond businesses would no longer be included within the scope of a future Part VII transfer. The self-invested elements of the Wrap SIPP business, which are held off-balance sheet, are still expected to transfer after April 2025. The Part VII transfer of the TIP business was successfully executed in March 2025.

Under the regulations, the cash flows under such a profit transfer arrangement are not included in the determination of technical provisions. However, it has been assessed that the existence of the profit transfer arrangement represents a barrier to the availability of Own Funds associated with the business to be disposed of. Accordingly, as at 31 December 2024 a £170 million (2023: £128 million) availability restriction has been recognised in the PGH Group solvency position.

Own shares restriction

A deduction of £18 million (2023: £16 million) has been applied to the reconciliation reserve reflecting own shares held by the Phoenix Group Employee Benefit Trust.

UK EU risk margin difference

As explained in section D.2.11, the Group risk margin is determined by consolidating the risk margins for each insurance subsidiary calculated in accordance with Solvency UK rules. This results in the contribution to the Group risk margin from the Irish insurance subsidiaries being lower than the entity risk margins determined on an EU Solvency II basis for solo regulatory purposes.

The Group has assessed that the benefit arising in the Group solvency calculation would not be available to absorb losses elsewhere in the Group, as capital would need to be retained by the Irish insurance subsidiaries to support their elimination of Volatility Adjustment, taking into account the Volatility Adjustment benefit allowed for in the solo regulatory position of SLIDAC that is removed on consolidation.

Accordingly, a £51 million (2023: £66 million) availability restriction has been applied in the PGH Group solvency position.

E.1 Own Funds and analysis of solvency position continued
E.1.3 Analysis of solvency position – PGH Group continued
E.1.3.4 Group SCR (Unaudited)

The Group uses Method 1 (the default accounting based consolidation method) for the calculation of the Group SCR under which the Internal Model and Standard Formula components of the SCR are aggregated with no further allowance for diversification between the two components. Further details of the methodology used to calculate the SCR are included in section E.2 and a description of the undertakings which are in the scope of the Group's PIM are provided in section E.3.1.

Details of the components of the Group SCR are shown in the table below:

Components of consolidated Group SCR As at 31 December 2024	SCR pre diversification £m	Group adjustments £m	Diversification benefits £m	Total SCR £m
Life Companies	6,419	(88)	(110)	6,221
Insurance holding companies	532	27	(23)	536
Service Companies	84	–	–	84
UCITS management company	6	–	–	6
Other entities	3	–	–	3
Total Group SCR	**7,044**	**(61)**	**(133)**	**6,850**

SCR in respect of insurance holding companies and other entities relates primarily to the Group's exposure to its defined benefit pension schemes, derivative instruments held in the insurance holding companies, Group expenses and tax.

The negative Group adjustment of £88 million for the Life Companies relates primarily to the impact of consolidating out the SCR held in respect of the defined benefit pension scheme obligations which are subject to intra-group buy-in transaction between PLL and the Pearl Group Staff Pension Scheme.

The Group diversification benefits principally arise from:

- synergies that arise where undertakings within the Group are exposed to stresses in opposite directions. For example, the Life Companies are exposed to a rise in credit spreads, whilst the Group pension schemes are exposed to a fall in credit spreads; and
- diversification of risks between undertakings that have different risk profiles. For example, the Life Companies have a higher risk exposure to persistency and credit risk relative to the pension schemes.

Minimum Consolidated Group SCR (Unaudited)

The main capital requirement under Solvency UK rules is the SCR. However, the regulations also set out a Minimum Capital Requirement ('MCR') that reflects the absolute minimum metric that, if breached, will trigger serious regulatory intervention. The Minimum Consolidated Group SCR ('MGSCR') applies at a Group level and is calculated as the sum of the MCRs of each insurance subsidiary.

The MGSCR is analysed as follows at 31 December 2024.

Entity – Minimum Capital Requirement	31 December 2024 £m	31 December 2023 £m
PLL	1,818	1,691
RAL	286	335
RLL	6	8
PLCL	41	44
SLAL	3	3
PLAL[1]	–	3
SLPF[1]	–	3
PA(GI)	4	6
SLIDAC	121	105
PLAE	12	13
PRL	8	9
PGH Group 31 December 2024	**2,299**	2,220

1 PLAL and SLPF were deauthorised and ceased to be UK regulated insurance subsidiaries in 2024, therefore MCR is no longer applicable.

Further details regarding the calculation of MCRs are set out in section E.2.3.

E.1 Own Funds and analysis of solvency position continued
E.1.3 Analysis of solvency position – PGH Group continued
E.1.3.4 Group SCR (Unaudited) continued
Excess of Own Funds over MGSCR

The MGSCR for the PGH is comfortably met with an excess over MGSCR of £5,205 million (2023: £5,807 million), with a ratio of Eligible Own Funds to MGSCR of 326% (2023: 362%).

The determination of the Eligible Own Funds available to meet the MGSCR requires the application of specific quantitative limits on the tiering of available capital. Application of these tests as at 31 December 2024 results in a £1,987 million (2023: £2,267 million) restriction to Tier 2 capital as a result of it exceeding the eligibility limit of 20% of MGSCR.

Analysis of Own Funds eligible to cover MGSCR	Tier 1 Unrestricted £m	Tier 1 Restricted £m	Tier 2 £m	Tier 3 £m	31 December 2024 £m	31 December 2023 £m
Available Own Funds to meet Minimum Group SCR ('MGSCR')	5,947	1,097	2,447	–	9,491	10,294
Eligibility restrictions MGSCR	–	–	(1,987)	–	(1,987)	(2,267)
Eligible Own Funds to meet Minimum Group SCR	5,947	1,097	460	–	7,504	8,027
Minimum Group SCR					(2,299)	(2,220)
Excess over Minimum Group SCR					5,205	5,807
Ratio of Eligible Own Funds to Minimum Group SCR					326%	362%

E.1.3.5 Analysis of movement in capital position
The table below provides an analysis of significant changes in the capital position during the year, split by Eligible Own Funds and SCR. As they do not contribute to the Solvency II surplus, all movements in Eligible Own Funds and SCR attributable to the unsupported with-profit funds and pension schemes have been presented as a single line in the analysis.

Analysis of movement in Group solvency position	Note	Eligible Own funds £m	Group SCR £m	Solvency II surplus £m
Opening position at 1 January 2024		11,069	(7,210)	3,859
Surplus emerging and release of capital requirements	1	679	139	818
Recurring management actions	2	388	111	499
Dividends, financing costs, corporate costs and pension contributions	3	(935)	–	(935)
New business strain	4	161	(316)	(155)
Recurring capital generation		293	(66)	227
Other management actions	5	102	145	247
Economic variances and movement in temporary strain	6	(295)	86	(209)
Investment and Other	7	(401)	42	(359)
Non-recurring capital utilisation		(594)	273	(321)
Subordinated debt repayment	8	(250)	–	(250)
Movement in unsupported with-profit funds and pension schemes		(153)	153	–
Closing position at 31 December 2024		10,365	(6,850)	3,515

E.1 Own Funds and analysis of solvency position continued
E.1.3 Analysis of solvency position – PGH Group continued
E.1.3.5 Analysis of movement in capital position continued

Note	Item	Information
1	**Surplus emerging and release of capital requirements**	Surplus emerging and release of capital requirements increased the Solvency II surplus by £818 million. This incorporates an expected real-world return on assets and includes the run-off of capital requirements and risk margin. These positive impacts are partially offset by TMTP run-off.
2	**Recurring management actions**	£499 million of recurring management actions largely comprised value accretive asset management-related actions. Recurring management actions are those that are considered to be either genuinely repeatable, repeatable in nature but subject to diminishing returns or not repeatable but benefits are expected from similar types of actions in the future.
3	**Dividends, financing costs, corporate costs and pension contributions**	Dividends, financing costs, corporate costs and pension contributions reduced the Solvency II surplus by £935 million. This principally comprises debt interest (including the coupon payable on the Tier 1 Notes) of £236 million, the cost of dividends of £542 million (including accrual for the anticipated uplift in the 2024 final dividend), and corporate and head office costs incurred in the year, together with movements in and contributions to the Group's supported pension schemes.
4	**New business strain**	The impact of New business strain reduced the Solvency II surplus by £155 million (excluding capital management policy). This primarily reflects a £99 million strain arising on BPA transactions completed in the year, based on pricing assumptions. The remaining strain is attributable to individual annuities, which, together with BPAs generated premiums of circa £6.1 billion.
5	**Other management actions**	Other management actions increased the Solvency II surplus by £247 million, reflecting the impact of one-off actions undertaken to optimise the balance sheet.
6	**Economic variances and movement in temporary strain**	The impact of Economic variances and movement in temporary strain reduced the surplus by £209 million. This includes an adverse economic variance of £107 million, which is primarily due to a rise in yields, with the net decrease in surplus reflecting the net hedging position of the Group across the period, together with an adverse impact from credit downgrades. Additionally, the movement in BPA temporary strain for the year was £102 million, which reflects the impact of holding a gilts-heavy portfolio on new business completed late in 2024 and reflecting internal model improvements in pricing assumptions which are expected to be approved in 2025 and the strain unwound.
7	**Investment and Other**	Investment and Other reduced the Solvency II surplus by £359 million principally reflecting Life Company and Corporate project costs, partially offset by the net favourable impact of model and methodology updates and assumption changes.
8	**Subordinated debt repayment**	A £250 million reduction in surplus as a result of the repayment of the £250 million Tier 2 Bond in June 2024.

Capital management continued

E.1 Own Funds and analysis of solvency position continued
E.1.3 Analysis of solvency position – PGH Group continued
E.1.3.6 Reconciliation of IFRS equity to excess of assets over liabilities

The table below provides an analysis of the key differences between the Group's net assets under IFRS and the excess of assets over liabilities under Solvency UK rules.

Description	Section reference	31 December 2024 £m
Total consolidated equity per IFRS[1]		1,707
Valuation differences:		
Assets (decrease)/increase:		
Goodwill	D.1.2	(10)
Deferred acquisition costs/Intangible assets	D.1.2	(1,872)
Deferred tax assets	D.1.2	274
Property, plant and equipment held for own use	D.1.2	(16)
Holdings in related undertakings, including participations	D.1.2	(161)
Reinsurance recoverables	D.1.2	(2,034)
Receivables (trade, not insurance)	D.1.2	(63)
Total asset valuation differences		**(3,882)**
Liabilities decrease/(increase):		
Technical provisions	D.2.2	13,562
Deferred tax liabilities	D.3.2	(1,392)
Insurance and intermediaries payables	D.3.2	209
Payables (trade, not insurance)	D.3.2	(47)
Subordinated liabilities	D.3.2	219
Total liability valuation differences		**12,551**
Excess of assets over liabilities		**10,376**

1 Reflects IFRS total equity of £2,246 million less non-controlling interest of £539 million as reported in the PGH Annual Report and Accounts for the year ended 31 December 2024.

E.1 Own Funds and analysis of solvency position continued

E.1.4 Analysis of solvency position - PLL

The table below summarises the solvency position for PLL at 31 December 2024. The Own Funds QRT IR.23.01.01 can be found at Appendix 2.6.

Description	Section reference	Unrestricted Tier 1 £m	Tier 3 £m	31 December 2024 Total £m	31 December 2023 Total £m
Ordinary share capital and share premium	E.1.4.2	70	–	70	70
Surplus funds[3]	E.1.4.2	3,530	–	3,530	3,663
Reconciliation reserve (pre-availability restrictions)[1,3]	E.1.4.2	5,498	–	5,498	5,592
Deferred tax asset		–	–	–	155
Excess of assets over liabilities		9,098	–	9,098	9,480
Total Basic and Available Own Funds		9,098	–	9,098	9,480
Availability restrictions in reconciliation reserve[1,3]	E.1.4.3	(1,994)	–	(1,994)	(1,563)
Eligible Own Funds to meet SCR		7,104	–	7,104	7,917
SCR[3]	E.2.1			(4,756)	(5,122)
Solvency II surplus				2,348	2,795
Ratio of Eligible Own Funds to SCR	E.1.4.1			149%	155%
Shareholder capital coverage ratio[2]	E.1.4.1			177%	193%
Eligible Own Funds to meet MCR	E.1.4.1	7,104	–	7,104	7,762
MCR[3]	E.2.3			(1,818)	(1,691)
Excess over MCR	E.1.4.1			5,286	6,071
Ratio of Eligible Own Funds to MCR	E.1.4.1			391%	459%

1 Total Basic and Own Funds do not agree to that presented on the Own Funds QRT due to the different presentation of the availability restrictions in the table above. The reconciliation reserve as shown on Own funds QRT includes the reconciliation reserve (pre availability restrictions) amount of £5,498 million (2023: £5,592 million) and restrictions to own funds of £(1,994) million (2023: £(1,563) million). Details of non-available own funds are provided in section E.1.4.3.

2 Shareholder capital coverage ratio reflects a recalculation of TMTP at 31 December 2024 (see section D.2.7.2).

3 Surplus funds, reconciliation reserve, availability restrictions in reconciliation reserve, SCR and MCR are unaudited.

E.1.4.1 Overview of Solvency position

As at 31 December 2024, the Solvency II surplus over SCR is £2,348 million (2023: £2,795 million), with a ratio of Eligible Own Funds to SCR of 149% (2023: 155%). The excess of Eligible Own Funds after deductions over the MCR is £5,286 million (2023: £6,071 million), with a ratio of Eligible Own Funds to MCR of 391% (2023: 459%).

Eligible Own Funds after deductions to meet the SCR comprise of ordinary share capital, share premium, surplus funds, a reconciliation reserve and deferred tax assets. This includes TMTP which is included in the calculation of Basic Own Funds as Tier 1 capital.

Excluding the SCR and Own Funds relating to unsupported with-profit funds, the Solvency II shareholder capital coverage ratio is 177% as at 31 December 2024 (2023: 193%).

E.1.4.2 Basic Own Funds items

The Basic Own Funds before deductions total £9,098 million (2023: £9,480 million) and comprise ordinary share capital, share premium, surplus funds and reconciliation reserve. Further details regarding each Basic Own Funds item are set out below.

Ordinary share capital and share premium

The issued and fully paid ordinary share capital and share premium of £70 million (2023: £70 million) is treated as unrestricted Tier 1 Own Funds, as it meets Tier 1 requirements. The Articles of Association of PLL include the right to cancel and withhold dividends at any time prior to payment.

Surplus funds

The Basic Own Funds include surplus funds of £3,530 million (2023: £3,663 million) which are classified as Tier 1 unrestricted Own Funds. Further details regarding the Solvency UK treatment of surplus funds are set out in section E.1.3.1.

Reconciliation reserve

The reconciliation reserve is treated as Tier 1 unrestricted Own Funds and is primarily made up of the excess of assets over liabilities, reduced by ordinary share capital, share premium, surplus funds and deferred tax assets. The reconciliation reserve may be subject to potential volatility

E.1 Own Funds and analysis of solvency position continued
E.1.4 Analysis of solvency position – PLL continued
E.1.4.2 Basic Own Funds items continued

and further details regarding the impact of various sensitivities on the excess of assets over liabilities which forms part of the Own Funds calculation are set out in section C.7.2.

Deferred tax asset

PLL has £nil (2023: £155 million) of deferred tax assets which are classified as Tier 3 Own Funds.

E.1.4.3 Availability restrictions

As shown in the summary table of the PLL's solvency position (see section E.1.4), there is a deduction to Own Funds of £1,994 million (2023: £1,563 million) which comprises of £1,824 million of RFF restriction (see section E.1.3.3) and £170 million of foreseeable dividends, distributions and charges restriction (see section E.1.3.3. 'Disposal Group restriction').

The total excess of assets over liabilities for the RFFs and the Matching Adjustment portfolio are £4,354 million (2023: £4,676 million), and this is restricted by the £1,824 million (2023: £1,563 million) RFF restriction. There are no restrictions to the Matching Adjustment portfolio at 31 December 2024 (2023: none).

E.1.4.4 Analysis of movement in capital position

The table below provides an analysis of significant changes in the capital position during the year, including Own Funds, SCR and Solvency II surplus. As they do not contribute to the Solvency II surplus, all movements in Eligible Own Funds and SCR attributable to the unsupported with-profit funds have been presented as a single line in the analysis.

Analysis of movement in solvency position	Note	Eligible Own funds £m	SCR £m	Solvency II surplus £m
Opening position at 1 January 2024		**7,917**	**(5,122)**	**2,795**
Surplus emerging and release of capital requirements	1	403	25	428
Recurring management actions	2	348	62	410
New business strain	3	150	(262)	(112)
Recurring capital generation		**901**	**(175)**	**726**
Other management actions	4	105	20	125
Economic variances and movement in temporary strain	5	(275)	117	(158)
Investment and Other	6	(443)	131	(312)
Non-recurring capital utilisation		**(613)**	**268**	**(345)**
Intragroup capital flows	7	(828)	–	(828)
Movement in unsupported with-profit funds and pension schemes		(273)	273	–
Closing position at 31 December 2024		**7,104**	**(4,756)**	**2,348**

E.1 Own Funds and analysis of solvency position continued
E.1.4 Analysis of solvency position – PLL continued
E.1.4.4 Analysis of movement in capital position continued

Note	Item	Information
1	**Surplus emerging and release of capital requirements**	Surplus emerging and release of capital requirements increased the Solvency II surplus by £428 million. This primarily reflects the run-off of capital requirements and risk margin. The positive impacts are partially offset by the amortisation of TMTP.
2	**Recurring management actions**	The £410 million increase in Solvency II surplus largely reflects favourable impacts from continued investment in illiquid assets and optimisation of the Matching Adjustment portfolios. Recurring management actions are those that are considered to be either genuinely repeatable, repeatable in nature but subject to diminishing returns or not repeatable but benefits are expected from similar types of actions in the future.
3	**New business strain**	The impact of New business strain reduced the Solvency II surplus by £112 million (excluding capital management policy). This was primarily driven by the circa £5.1 billion BPA transactions completed in the year, based on pricing assumptions. The remaining strain is attributable to individual annuities.
4	**Other management actions**	Other management actions increased the Solvency II surplus by £125 million, reflecting the impact of one-off actions undertaken to optimise the balance sheet.
5	**Economic variances and movement in temporary strain**	Economic variances and movement in temporary strain decreased the Solvency II surplus by £158 million. This includes an adverse economic variance of £56 million, which is primarily due to a rise in yields, with the net decrease in surplus reflecting the net hedging position across the period, together with an adverse impact from credit downgrade. Additionally, the movement in BPA temporary strain for the year was £102 million, which reflects the impact of holding a gilts-heavy portfolio on new business completed late in 2024 and reflecting internal model improvements in pricing assumptions which are expected to be approved in 2025 and the strain unwound.
6	**Investment and Other**	Investment and Other reduced the Solvency II surplus by £312 million principally reflecting project costs and the profit transfer arrangement of an anticipated Part VII transfer. Further details are included in section E.1.3.3 Disposal Group restriction. This is partially offset by the net favourable impact of model and methodology updates and assumption changes, together with other one off items.
7	**Intragroup capital flows**	Dividend payments and repayments of capital contribution reduced the Solvency II surplus by £1,019 million, which is partially offset by the capital support of £191 million received from the Company's parent in support of BPA and individual annuity activities and net intragroup loan income.

E.1.4.5 Reconciliation of UK GAAP equity to excess of assets over liabilities

The table below provides an analysis of the key differences between PLL's net assets under UK GAAP and the excess of assets over liabilities under Solvency UK rules.

Description	Section reference	31 December 2024 £m
Total equity per UK GAAP		1,735
Valuation differences:		
Assets decrease:		
Deferred acquisition costs/Intangible assets	D.1.2	(308)
Deferred tax assets	D.1.2	(6)
Reinsurance recoverables	D.1.2	(1,634)
Receivables (trade, not insurance)	D.1.2	(72)
Total asset valuation differences		**(2,020)**
Liabilities decrease/(increase):		
Technical provisions	D.2.2	9,432
Other technical provisions (unallocated surplus)	D.2.2	930
Deferred tax liabilities	D.3.2	(1,127)
Insurance and intermediaries payables	D.3.2	125
Any other liabilities not elsewhere shown	D.3.2	23
Total liability valuation differences		**9,383**
Excess of assets over liabilities		**9,098**

E.1 Own Funds and analysis of solvency position continued

E.1.5 Analysis of solvency position – RAL

The table below summarises the solvency position for RAL as at 31 December 2024. The Own Funds QRT IR.23.01.01 is included in Appendix 3.6.

Description	Section reference	31 December 2024 Total £m	31 December 2023 Total £m
Ordinary share capital and share premium	E.1.5.2	255	521
Surplus funds	E.1.5.2	950	891
Reconciliation reserve (pre-availability restrictions)[1]	E.1.5.2	1,354	1,889
Deferred tax asset	E.1.5.2	–	–
Excess of assets over liabilities		2,559	3,301
Total Basic and Available Own Funds		2,559	3,301
Ring Fenced Fund restriction[1]	E.1.5.3	(694)	(629)
Eligible Own Funds to meet SCR		1,865	2,672
SCR	E.2.1	(1,051)	(1,342)
Solvency II surplus		814	1,330
Ratio of Eligible Own Funds to SCR	E.1.5.1	177%	199%
Shareholder capital coverage ratio[2]	E.1.5.1	192%	215%
Eligible Own Funds to meet MCR	E.1.5.1	1,865	2,672
MCR	E.2.3	(286)	(335)
Excess over MCR	E.1.5.1	1,579	2,337
Ratio of Eligible Own Funds to MCR	E.1.5.1	652%	797%

1 Basic Own Funds do not agree to that presented on the Own Funds QRT due to the different presentation of the availability restrictions in the table above. The reconciliation reserve as shown on Own funds QRT includes the reconciliation reserve (pre availability restrictions) amount of £1,354 million (2023: £1,889 million) and Ring Fenced Fund restriction of £(694) million (2023: £(629) million). Details of non-available own funds are provided in section E.1.5.3.

2 Shareholder capital coverage ratio reflects recalculation of TMTP at 31 December 2024 (see section D.2.7.2).

E.1.5.1 Overview of Solvency position

As at 31 December 2024, the Solvency II surplus over SCR is £814 million (2023: £1,330 million), with a ratio of Eligible Own Funds to SCR of 177% (2023: 199%). The excess of Eligible Own Funds after deductions over the MCR is £1,579 million (2023: £2,337 million), with a ratio of Eligible Own Funds to MCR of 652% (2023: 797%).

RAL's Eligible Own Funds after deductions to meet the SCR comprise of ordinary share capital, share premium, surplus funds, and reconciliation reserve. This includes TMTP which is included in the calculation of Basic Own Funds as Tier 1 capital.

Excluding the SCR and Own Funds relating to unsupported with-profit funds, the Solvency II shareholder capital coverage ratio is 192% as at 31 December 2024 (2023: 215%).

E.1.5.2 Basic Own Funds items

The Basic Own Funds before deductions total £2,559 million (2023: £3,301 million) and comprise ordinary share capital, share premium, surplus funds and reconciliation reserve. Further details regarding each Basic Own Funds item are set out below.

Ordinary share capital and share premium

The issued and fully paid ordinary share capital and share premium of £255 million (2023: £521 million) is treated as unrestricted Tier 1 Own Funds, as it meets Tier 1 requirements. During the year RAL carried out a capital reduction exercise reducing the share capital and eliminating the share premium account. There was a corresponding increase in retained reserves

Surplus funds

The Basic Own Funds include surplus funds £950 million (2023: £891 million) which are classified as Tier 1 unrestricted Own Funds. Further details regarding the Solvency UK treatment of surplus funds are set out in section E.1.3.1.

Reconciliation reserve

The reconciliation reserve is treated as Tier 1 unrestricted Own Funds and is primarily made up of the excess of assets over liabilities, reduced by ordinary share capital, share premium, surplus funds and deferred tax assets. The reconciliation reserve may be subject to potential volatility and further details regarding the impact of various sensitivities on the excess of assets over liabilities which forms part of the Own Funds calculation are set out in section C.7.2.

E.1 Own Funds and analysis of solvency position continued

E.1.5 Analysis of solvency position – RAL continued

E.1.5.3 Availability restrictions

As shown in the summary table of RAL's solvency position (see section E.1.5), there is a deduction to Own Funds of £694 million (2023: £629 million) in respect of a RFF restriction. Further details regarding the Solvency UK treatment for this restriction are included in section E.1.3.3. The total excess of assets over liabilities for the RFFs and the Matching Adjustment portfolio are £1,188 million (2023: £1,227 million), and this is restricted by the £694 million (2023: £629 million) RFF restriction. There are no restrictions to the Matching Adjustment portfolio at 31 December 2024 (2023: none).

E.1.5.4 Analysis of movement in capital position

The table below provides an analysis of significant changes in the capital position during the year, including Own Funds, SCR and Solvency II surplus. As they do not contribute to the Solvency II surplus, all movements in Eligible Own Funds and SCR attributable to the unsupported with-profit funds have been presented as a single line in the analysis.

Analysis of movement in solvency position	Note	Eligible Own funds £m	SCR £m	Solvency II surplus £m
Opening position at 1 January 2024		**2,672**	**(1,342)**	**1,330**
Surplus emerging and release of capital requirements	1	110	89	199
Recurring management actions	2	18	47	65
Recurring capital generation		**128**	**136**	**264**
Other management actions	3	(3)	125	122
Economic variances	4	(28)	(9)	(37)
Investment and Other	5	199	3	202
Non-recurring capital utilisation		**168**	**119**	**287**
Intragroup capital flows	6	(1,083)	16	(1,067)
Movement in unsupported with-profit funds and pension schemes		(20)	20	–
Closing position at 31 December 2024		**1,865**	**(1,051)**	**814**

Note	Item	Information
1	**Surplus emerging and release of capital requirements**	Surplus emerging and release of capital requirements increased the Solvency II surplus by £199 million. This primarily reflects the run-off of capital requirements and risk margin, partially offset by the amortisation of TMTP.
2	**Recurring management actions**	The £65 million increase in Solvency II surplus primarily reflects favourable impacts from continued investment in illiquid assets and optimisation of the Matching Adjustment portfolios. Recurring management actions are those that are considered to be either genuinely repeatable, repeatable in nature but subject to diminishing returns or not repeatable but benefits are expected from similar types of actions in the future.
3	**Other management actions**	Other management actions increased the Solvency II surplus by £122 million, reflecting the impact of one-off actions undertaken to optimise the balance sheet.
4	**Economic variances**	Economic variances decreased the Solvency II surplus by £37 million, primarily driven by a rise in yields and net hedging impacts as a result of a change in the equity hedge ratio during the year.
5	**Investment and Other**	Investment and Other increased the Solvency II surplus by £202 million. This included the positive impacts from one-off correction, longevity experience and net favourable impact from model and methodology and assumption changes plus a number of small one-off impacts, partially offset by project costs.
6	**Intragroup capital flows**	Intragroup capital flows reduced the Solvency II surplus by £1,067 million, reflecting the dividend paid to the parent company.

E.1 Own Funds and analysis of solvency position continued
E.1.5 Analysis of solvency position – RAL continued
E.1.5.5 Reconciliation of UK GAAP equity to excess of assets over liabilities

The table below provides an analysis of the key differences between RAL's net assets under UK GAAP and the excess of assets over liabilities under Solvency UK rules.

Description	Section reference	31 December 2024 £m
Total equity per UK GAAP		413
Valuation differences:		
Assets decrease:		
Intangible assets	D.1.2	**(398)**
Reinsurance recoverables	D.1.2	**(181)**
Total asset valuation differences		**(579)**
Liabilities decrease/(increase):		
Technical provisions	D.2.2	**2,587**
Other technical provisions (unallocated surplus)	D.2.2	**410**
Deferred tax liabilities	D.3.2	**(317)**
Insurance and intermediaries payables	D.3.2	**45**
Total liability valuation differences		**2,725**
Excess of assets over liabilities		**2,559**

E.1.6 Analysis of solvency position – RLL

The table below summarises the solvency position for RLL as at 31 December 2024. The Own Funds QRT IR.23.01.01 is included in Appendix 4.5.

Description	Section reference	31 December 2024 Total £m	31 December 2023 Total £m
Ordinary share capital	E.1.6.2	**14**	64
Reconciliation reserve[1]	E.1.6.2	**151**	199
Basic, Available Eligible Own Funds to meet SCR		**165**	263
SCR	E.2.1	**(13)**	(18)
Solvency II surplus		**152**	245
Ratio of Eligible Own Funds to SCR	E.1.6.1	**1,269%**	1,436%
Shareholder capital coverage ratio	E.1.6.1	**1,269%**	1,436%
Eligible Own Funds to meet MCR	E.1.6.1	**165**	263
MCR	E.2.3	**(6)**	(8)
Excess over MCR	E.1.6.1	**159**	255
Ratio of Eligible Own Funds to MCR	E.1.6.1	**2,819%**	3,191%

1 The reconciliation reserve is the excess of assets over liabilities of £151 million (2023: £199 million) and treated as Tier 1 unrestricted Own Funds

E.1.6.1 Overview of Solvency position

As at 31 December 2024, the Solvency II surplus over the SCR is £152 million (2023: £245 million), with a ratio of Eligible Own Funds to SCR of 1,269% (2023: 1,436%). The excess of Eligible Own Funds after deductions over the MCR is £159 million (2023: £255 million), with a ratio of Eligible Own Funds to MCR of 2,819% (2023: 3,191%).

RLL's Own Funds consists entirely of Tier 1 – unrestricted Own Fund items and is principally comprised of ordinary share capital and reconciliation reserve. There are no Tier 1 – restricted, Tier 2 or Tier 3 Own Funds.

There are no deductions for restricted assets in respect of RFFs, Matching Adjustment portfolios, encumbrances or foreseeable dividends.

The Solvency II shareholder capital coverage ratio is 1,269% as at 31 December 2024 (2023: 1,436%).

E.1 Own Funds and analysis of solvency position continued
E.1.6 Analysis of solvency position – RLL continued
E.1.6.2 Basic Own Funds items

The Basic Own Funds total £165 million (2023: £263 million) and comprise ordinary share capital and reconciliation reserve. Further details regarding each Basic Own Funds item are set out below.

Ordinary share capital

The issued and fully paid ordinary share capital of £14 million (2023: £64 million) is treated as unrestricted Tier 1 Own Funds, as it meets Tier 1 requirements. During the year RLL carried out a capital reduction exercise reducing the share capital account. There was a corresponding increase in retained reserves.

Reconciliation reserve

The reconciliation reserve is treated as Tier 1 unrestricted Own Funds. The reconciliation reserve may be subject to potential volatility and further details regarding the impact of various sensitivities on the excess of assets over liabilities which forms part of the Own Funds calculation are set out in section C.7.

E.1.6.3 Analysis of movement in capital position

Analysis of movement in solvency position	Note	Eligible Own funds £m	SCR £m	Solvency II surplus £m
Opening position at 1 January 2024		263	(18)	245
Economic variances	1	10	5	15
Intragroup capital flows	2	(108)	–	(108)
Closing position at 31 December 2024		165	(13)	152

Note	Item	Information
1	**Economic variances**	Economic variances increased the Solvency II surplus by £15 million, which primarily reflects the impact of increased returns on shareholder assets.
2	**Intragroup capital flows**	Intragroup capital flows reduced the Solvency II surplus by £108 million, reflecting the dividend paid to the parent company, partially offset by intragroup loan interest.

E.1.6.4 Reconciliation of UK GAAP equity to excess of assets over liabilities

The table below provides an analysis of the key differences between RLL's net assets under UK GAAP and the excess of assets over liabilities under Solvency UK rules.

Description	Section reference	31 December 2024 £m
Total equity per UK GAAP		100
Valuation differences:		
Assets decrease:		
Deferred acquisition costs	D.1.2	(5)
Reinsurance recoverables	D.1.2	(311)
Total asset valuation differences		**(316)**
Liabilities decrease/(increase):		
Technical provisions	D.2.2	309
Deferred tax liabilities	D.3.2	(8)
Any other liabilities not elsewhere shown	D.3.2	80
Total liability valuation differences		**381**
Excess of assets over liabilities		**165**

E.1 Own Funds and analysis of solvency position continued

E.1.7 Analysis of solvency position – PLCL

The table below summarises the solvency position for PLCL as at 31 December 2024. The Own Funds QRT IR.23.01.01 is included in Appendix 5.5.

Description	Section reference	31 December 2024 Total £m	31 December 2023 Total £m
Ordinary share capital	E.1.7.2	23	23
Reconciliation reserve[1]	E.1.7.2	275	275
Excess of assets over liabilities		298	298
Total Basic and Available Own Funds		298	298
Ring Fenced Fund restriction[1]	E.1.7.2	(1)	(1)
Basic, Available Eligible Own Funds to meet SCR		297	297
SCR	E.2.1	(166)	(174)
Solvency II surplus		131	123
Ratio of Eligible Own Funds to SCR	E.1.7.1	179%	170%
Shareholder capital coverage ratio	E.1.7.1	179%	170%
Eligible Own Funds to meet MCR	E.1.7.1	297	297
MCR	E.2.3	(41)	(44)
Excess over MCR	E.1.7.1	256	253
Ratio of Eligible Own Funds to MCR	E.1.7.1	716%	682%

1 Basic Own Funds do not agree to that presented on the Own funds QRT due to the different presentation of the availability restrictions in the table above. The reconciliation reserve as shown on the Own Funds QRT includes the reconciliation reserve (pre-availability restrictions) amount of £275 million (2023: £275 million) and Ring Fenced Fund restriction of £(1) million (2023: £(1) million).

E.1.7.1 Overview of Solvency position

As at 31 December 2024, the Solvency II surplus over the SCR is £131 million (2023: £123 million), with a ratio of Eligible Own Funds to SCR of 179% (2023: 170%). The excess of Eligible Own Funds after deductions over the MCR is £256 million (2023: £253 million), with a ratio of Eligible Own Funds to MCR of 716% (2023: 682%).

PLCL's Own Funds consists of Tier 1 unrestricted Own Fund items.

Tier 1 – unrestricted Own Fund items are principally comprised of ordinary share capital and reconciliation reserve. There are no Tier 1 – restricted, Tier 2 or Tier 3 Own Funds.

The Solvency II shareholder capital coverage ratio is 179% as at 31 December 2024 (2023: 170%).

E.1.7.2 Basic Own Funds items

The Basic Own Funds total £298 million (2023: £298 million) and comprise ordinary share capital and reconciliation reserve. Further details regarding each Basic Own Funds item are set out below.

Ordinary share capital

The issued and fully paid ordinary share capital of £23 million (2023: £23 million) is treated as unrestricted Tier 1 Own Funds, as it meets Tier 1 requirements.

Reconciliation reserve

The reconciliation reserve is treated as Tier 1 unrestricted Own Funds. The reconciliation reserve may be subject to potential volatility and further details regarding the impact of various sensitivities on the excess of assets over liabilities which forms part of the Own Funds calculation are set out in section C.7.

Availability restrictions

As shown in the summary table of PLCL's solvency position (see section E.1.7) there is a deduction to Own Funds of £1 million (2023: £1 million) in respect of an RFF restriction. Further details regarding the Solvency UK treatment for this restriction are included in section E.1.3.3.

The total excess of assets over liabilities for the RFFs are £2 million (2023: £3 million), and this is restricted by the £1 million (2023: £1 million) RFF restriction.

E.1 Own Funds and analysis of solvency position continued

E.1.7 Analysis of solvency position – PLCL continued

E.1.7.3 Analysis of Movement in Capital Position

The table below provides an analysis of significant changes in the capital position during the year, including Own Funds, SCR and Solvency II surplus. As they do not contribute to the Solvency II surplus, all movements in Eligible Own Funds and SCR attributable to the unsupported with-profit funds have been presented as a single line in the analysis.

Analysis of movement in solvency position	Note	Eligible Own funds £m	SCR £m	Solvency II surplus £m
Opening position at 1 January 2024		297	(174)	123
Surplus emerging and release of capital requirements	1	9	6	15
Recurring management actions	2	22	2	24
Recurring capital generation		**31**	**8**	**39**
Economic variances	3	2	(6)	(4)
Investment and Other	4	12	6	18
Non-recurring capital utilisation		**14**	**–**	**14**
Intragroup capital flows	5	(45)	–	(45)
Closing position at 31 December 2024		**297**	**(166)**	**131**

Note	Item	Information
1	**Surplus emerging and release of capital requirements**	Surplus emerging and release of capital requirements increased the Solvency II surplus by £15 million. This primarily reflects run-off of capital requirements and risk margin.
2	**Recurring management actions**	£24 million of recurring management actions largely comprised value accretive asset management-related actions. Recurring management actions are those that are considered to be either genuinely repeatable, repeatable in nature but subject to diminishing returns or not repeatable, but benefits are expected from similar types of actions in the future.
3	**Economic variances**	Offsetting impacts of changes in yields and volatile equity markets gave rise to a £4 million net decrease in Solvency II surplus.
4	**Investment and Other**	Various other impacts contributed to an increase in Solvency II surplus of £18 million.
5	**Intragroup capital flows**	Intragroup capital flows reduced the Solvency II surplus by £45 million, reflecting the dividend paid to the parent company.

E.1.7.4 Reconciliation of IFRS equity to excess of assets over liabilities

The table below provides an analysis of the key differences between PLCL's net assets under IFRS and the excess of assets over liabilities under Solvency UK rules.

Description	Section reference	31 December 2024 £m
Total equity per IFRS		153
Valuation differences:		
Assets decrease:		
Deferred acquisition costs	D.1.2	(1)
Deferred tax assets	D.1.2	(30)
Reinsurance recoverables	D.1.2	(53)
Total asset valuation differences		**(84)**
Liabilities decrease/(increase):		
Technical provisions	D.2.2	225
Provisions other than technical provisions	D.3.2	2
Deferred tax liabilities	D.3.2	(1)
Insurance and intermediaries payables	D.3.2	3
Total liability valuation differences		**229**
Excess of assets over liabilities		**298**

E.1 Own Funds and analysis of solvency position continued

E.1.8 Analysis of solvency position – SLAL

The table below summarises the solvency position for SLAL as at 31 December 2024. The Own Funds QRT IR.23.01.01 can be found at Appendix 6.5.

Description	Section reference	31 December 2024 Total £m	31 December 2023 Total £m
Ordinary share capital and share premium	E.1.8.2	147	147
Reconciliation reserve[1]	E.1.8.2	(143)	(143)
Excess of assets over liabilities		4	4
Total Basic and Available Own Funds		4	4
Eligible Own Funds to meet SCR		4	4
SCR[2]	E.2.3	(3)	(3)
Solvency II surplus		1	1
Ratio of Eligible Own Funds to SCR	E.1.8.1	120%	114%
Shareholder capital coverage ratio	E.1.8.1	120%	114%
Eligible Own Funds to meet MCR	E.1.8.1	4	4
MCR	E.2.3	(3)	(3)
Excess over MCR	E.1.8.1	1	1
Ratio of Eligible Own Funds to MCR	E.1.8.1	120%	114%

1 Basic Own Funds as at 31 December 2024 do not agree to that presented on the Own Funds QRT due to the different presentation of the availability restrictions in the table above. The reconciliation reserve as shown in the Own funds QRT includes the reconciliation reserve amount of £(143) million (2023: £(143) million.

2 The capital requirement and solvency ratio for SLAL are based on the MCR, as this is the biting constraint for the entity.

E.1.8.1 Overview of Solvency position

As a result of the funds transfer in 2023 there is no material insurance business remaining in SLAL at 31 December 2024 and the SCR is £nil. The Solvency II surplus is therefore determined with reference to the MCR.

The excess of Eligible Own Funds after deductions over the MCR is £1 million (2023: £1 million), with a ratio of Eligible Own Funds to MCR of 120% (2023: 114%).

SLAL's Eligible Own Funds after deductions to meet the MCR comprise of ordinary share capital, share premium a reconciliation reserve.

There are no deductions for restricted assets in respect of RFFs, Matching Adjustment portfolios, encumbrances or foreseeable dividends.

E.1.8.2 Basic Own Funds items

The Basic Own Funds total £4 million (2023: £4 million) and comprise of ordinary share capital, share premium and a reconciliation reserve. Further details regarding each Basic Own Funds item are set out below.

Ordinary share capital and share premium

The issued and fully paid ordinary share capital and share premium of £147 million (2023: £147 million) is treated as unrestricted Tier 1 Own Funds, as it meets Tier 1 requirements. The Articles of Association of SLAL include the right to cancel and withhold dividends at any time prior to payment.

Reconciliation reserve

The reconciliation reserve is treated as Tier 1 unrestricted Own Funds and is primarily made up of the excess of assets over liabilities, reduced by ordinary share capital, and share premium.

E.1.8.3 Availability restrictions

There are no availability restrictions at 31 December 2024 (2023: £nil).

E.1.8.4 Analysis of movement in capital position

There are no movements during the year.

E.1.8.5 Reconciliation of UK GAAP equity to excess of assets over liabilities

At 31 December 2024 there are no differences between SLAL's equity under UK GAAP and the Solvency UK excess of assets over liabilities.

E.1 Own Funds and analysis of solvency position continued
E.1.9 Analysis of solvency position – PA(GI)

The table below summarises the solvency position for PA(GI) as at 31 December 2024. The Own Funds QRT IR.23.01.01 is included in Appendix 7.2.

Description	Section reference	31 December 2024 Total £m	31 December 2023 Total £m
Ordinary share capital		3	3
Reconciliation reserve		8	25
Basic, Available Eligible Own Funds to meet SCR		11	28
SCR[1]	E.2.1	(10)	(26)
Solvency II surplus		1	2
Ratio of Eligible Own Funds to SCR		108%	111%
Eligible Own Funds to meet MCR		11	28
MCR[1]	E.2.3	(4)	(6)
Excess over MCR		7	22
Ratio of Eligible Own Funds to MCR		302%	443%

1 SCR and MCR are unaudited.

As at 31 December 2024, the surplus over the SCR is less than £1 million (2023: £2 million), with a ratio of Eligible Own Funds to SCR of 108% (2023: 111%). The excess of Eligible Own Funds after deductions over the MCR is £7 million (2023: £22 million), with a ratio of Eligible Own Funds to MCR of 302% (2023: 443%).

PA(GI)'s Own Funds consists entirely of Tier 1 – unrestricted Own Fund items and is principally comprised of ordinary share capital and reconciliation reserve. There are no Tier 1 – restricted, Tier 2 or Tier 3 Own Fund items.

There are no deductions for restricted assets in respect of RFFs, Matching Adjustment portfolios, encumbrances or foreseeable dividends.

The movements in PAGI's eligible own funds and SCR during the year principally relate to the net movement in redress recovery balances and on-going litigation matters.

There are no differences between PA(GI)'s equity under IFRS and the excess of assets over liabilities under Solvency UK rules.

E.2 Solvency Capital Requirement and Minimum Capital Requirement

E.2.1 Solvency capital requirement

The Group and insurance subsidiaries' SCR as at 31 December 2024 is presented in the tables below. Only RAL, RLL and PLCL are within the scope of the audit.

Analysis of SCR – 31 December 2024	PLL[1] £m	PA(GI) £m	Other Group Entities that use Internal Model £m	Group Internal Model adjustments £m	PGH Group Harmonised Internal model £m
Underwriting risk (i.e. insurance risk)[2]	2,456	–	28	14	2,498
Market risk	1,745	–	731	(657)	1,819
Credit risk	2,805	–	29	(12)	2,822
Operational risk	907	10	54	(10)	961
Other risks	–	–	82	32	114
Total undiversified SCR	7,913	10	924	(633)	8,214
Diversification benefits[3]	(2,526)	–	(454)	70	(2,910)
Management actions	(1)	–	–	–	(1)
LACDT	(918)	–	–	68	(850)
End-piece adjustments	288	–	257	6	551
Total SCR	4,756	10	727	(489)	5,004

Analysis of SCR – 31 December 2024	RAL[5] £m	RLL £m	PLCL £m	SLIDAC £m	PRL £m	Other Group Entities that use Standard Formula £m	Group Standard Formula adjustments £m	PGH Group Standard Formula only £m	PGH Group Partial Harmonised Internal Model £m
Underwriting risk (i.e. insurance risk)[2]	795	–	117	196	3	234	3	1,348	3,846
Market risk[3]	478	6	55	142	7	17	(190)	515	2,334
Credit risk	453	6	16	75	–	26	(40)	536	3,358
Operational risk	99	7	17	40	1	5	7	176	1,137
Other risks	–	–	–	–	–	–	–	–	114
Total undiversified SCR	1,825	19	205	453	11	282	(220)	2,575	10,789
Diversification benefits[4]	(475)	(3)	(39)	(109)	(2)	(42)	205	(465)	(3,375)
Management actions	–	–	–	–	–	–	–	–	(1)
LACDT	(299)	(3)	–	–	–	40	2	(260)	(1,110)
End-piece adjustments	–	–	–	–	–	(4)	–	(4)	547
Total SCR	1,051	13	166	344	9	276	(13)	1,846	6,850

1 PLL SCR reflects SCR in respect of its own direct risk exposures, but also in respect of a look through to its participation in PUTM. PUTM is a UCITS management company and under the regulations, its SCR has been determined in accordance with the relevant sectoral rules.

2 Underwriting risk includes diversification within the Underwriting risk category (i.e. diversification between longevity risk, mortality risk, expense risk, etc.).

3 Market risk includes diversification within the Market risk category (i.e. diversification between interest rate risk, equity risk, etc).

4 Diversification benefits cover the residual diversification between the risk categories of Underwriting risk, Market risk, Credit risk, etc.

5 RAL SCR reflects SCR in respect of its own direct risk exposures.

Each of the risk categories included within the total undiversified SCR have been described in further detail in sections C.1 to C.6.

Diversification arises when the adverse outcome from one risk can be offset by a more favourable outcome from another risk, where those risks are not perfectly correlated. Diversification benefits are determined using a full risk distribution.

The effect of management actions recognised within the SCR primarily relate to the with-profit funds. Such actions include reducing reversionary and terminal bonus rates, removing past conditional estate distributions, and increasing asset share/guarantee charges under stressed conditions. The management actions assumed for each fund are consistent with the fund's PPFM.

E.2 Solvency Capital Requirement and Minimum Capital Requirement continued

E.2.1 Solvency capital requirement continued

The Group SCR has also been reduced by £1,110 million for the loss-absorbing capacity of deferred taxes ('LACDT'). The LACDT adjustment represents the change in value of deferred tax assets and liabilities following a 1-in-200 one-year stress event consistent with the overall SCR assessment. The LACDT for the Group and the Life insurance subsidiaries is expected to be available through a reduction in the value of deferred tax liabilities predominantly in relation to future profits to emerge from unit-linked business, non-linked business and transfers from with-profit funds.

End-piece adjustments represent a range of adjustments which are applied to the post-diversified SCR when aggregating to the PGH Group level.

The final SCR is still subject to supervisory assessment. There are no capital add-ons and the Group has not applied to use undertaking specific parameters when calculating the Standard Formula SCR for entities which are outside of the scope of the Internal Model.

E.2.2 Changes in SCR

An explanation of the drivers of material changes to the SCR are set out in section E.1.3.

E.2.3 Minimum Consolidated Group SCR

In accordance with the regulations, the MGSCR is defined as the sum of the MCR for all the insurance subsidiaries consolidated into the Group under Method 1.

The MCR for each insurance subsidiary is calculated according to a formula prescribed by the regulations and is subject to a floor of 25% of the SCR or £3.5 million, whichever is higher, and a cap of 45% of the SCR. The MCR formula is based on factors applied to the technical provisions and capital at risk as at 31 December 2024.

The components of the overall calculation of the MCR as at 31 December 2024 are:

Calculation of MCR - 31 December 2024	PLL £m	RAL £m	RLL £m	PLCL £m	SLAL £m	PA(GI) £m	SLIDAC £m	PLAE £m	PRL £m	PGH £m
MCR before the application of floors and caps	1,818	286	37	38	–	–	121	7	–	–
MCR cap (45% of SCR)	2,140	473	6	75	–	4	155	21	14	–
MCR floor (higher of 25% of SCR or £3.5 million)[1]	1,189	263	3	41	3	4	86	12	8	–
MCR (post application of floors and caps)	1,818	286	6	41	3	4	121	12	8	2,299

[1]EUR 4 million for SLIDAC and PLAE

The changes in the amount of the MCR during the reporting period is primarily driven by changes in the SCR. The entities that are within the scope of the audit are RAL, RLL and PLCL.

E.3 Differences between the Standard Formula and any Internal Model used

This section outlines the purpose of the Internal Model, its scope, methodology and assumptions, key differences between Standard Formula and Internal Model, and the nature and appropriateness of data used.

E.3.1 Scope of internal model

Coverage

The Group has permission to use a Partial Internal Model to calculate the Group SCR at the level of Phoenix Group Holdings plc ('PGH plc'). The following subsidiaries of PGH plc are within the scope of the Group's partial internal model. The list includes all of the in-scope insurance entities, together with the non-insurance entities which make a material contribution to the Group SCR.

Businesses within the scope of the Group Partial Internal Model

Entity	Model Type	Description
Phoenix Life Limited	Internal Model	UK long-term insurer
PA(GI) Limited	Internal Model	General insurer1
Standard Life Assurance Limited	Internal Model	UK long-term insurer
PGH plc	Partial Internal Model	Group level insurance holding company
Phoenix Group Management Services Limited	Internal Model	Ancillary services undertaking
Pearl Life Holdings Limited	Internal Model	Insurance holding company and sponsor of one of the group pension schemes.
Impala Holdings Limited	Internal Model	Insurance holding company

1 Authorised as a general insurer, PA(GI) no longer has any insurance liabilities.

Phoenix Life Limited, PA(GI) Limited and Standard Life Assurance Limited each have permission to calculate their individual solo capital requirements using the Group partial internal model.

The following subsidiaries of PGH plc are outside the scope of the Group's partial internal model, and each one makes a material contribution to the Group SCR, assessed using the Standard Formula:

Other firms included in the Group SCR

Entity	Model Type	Description
ReAssure Limited	Standard Formula	UK long-term insurer
ReAssure Life Limited	Standard Formula	UK long-term insurer
Phoenix Life CA Limited	Standard Formula	UK long-term insurer
Standard Life International dac	Standard Formula	Irish long-term insurer[1]
Phoenix Life Assurance Europe dac	Standard Formula	Irish long-term insurer
Phoenix Re Limited	Standard Formula	Bermudan reinsurer
ReAssure MidCo Limited	Standard Formula	Insurance holding company and sponsor of one of the group pension schemes.

1 SLIDAC has approval from the CBI to use a Partial Internal Model for solo reporting.

The Group has plans to extend the scope of the Group Internal Model to some of the Standard Formula entities as part of the Group's Internal Model change programme.

There are other entities, not listed above, which contribute to the Group SCR, both within and outside the scope of the Group's partial internal model. None of these other entities makes a material contribution.

Risk categories

A key element of the Group's risk strategy is to ensure that the Group has a robust understanding of the risks it faces. This is achieved through regular monitoring and reporting of risks. Further details are included in section B.3.

All key risks (i.e. those prescribed under the Standard Formula or the risks specific to the insurance subsidiaries and Group as defined under the Group's Internal Model) in the risk universe are within the scope of the Phoenix Group Partial Internal Model.

E.3 Differences between the Standard Formula and any Internal Model used continued

E.3.1 Scope of internal model continued

Risk categories continued

Capital is held against all risks within the risk universe, unless:

- the risk is one that would not be expected to impact Own Funds;
- exposure to the risk is not significant;
- there is a dedicated risk management process in place to ensure that the risk exposure remains immaterial or is unlikely to arise at all; or
- the risk is not quantifiable and is more appropriately managed using other techniques.

Justification for not holding capital for any risks within the risk universe is documented and approved by senior management. This position is re-assessed on a regular cycle or sooner if specified trigger events have occurred.

E.3.2 Uses of the internal model

The Phoenix Group Partial Internal Model is widely used in and plays an important role in the system of governance (in particular, the risk management system), decision-making, solvency capital assessment and allocation of capital throughout the Group.

Internal Model outputs (principally the balance sheet and stress and scenario analysis) are used to inform decisions which impact the risk profile or capital requirements.

Setting risk appetite

As outlined in section B.3, the Group sets its risk appetite to manage risks, and this is reviewed annually. Risk appetite establishes the boundaries within which the Group is willing to operate, and the amount of risk that it wishes to accept.

The risk appetite statement is regularly reviewed through scenario analysis which covers a range of material risks from the risk universe. Results are regularly presented to the Life and Group Boards.

Informing risk reporting

The Group's risk reporting framework summarises the risk profile of the Group and is regularly presented to management committees and the Boards. Each report is structured around the risk universe and summarises key risk management information, including the risk appetite dashboard and a breakdown of risk capital by individual risk categories.

Setting capital management policy

Capital management policies are set by the Group and each regulated Life Company, in order to provide an additional level of solvency protection over the SCR. Capital policies are set by reference to risk appetite scenarios and reviewed at least annually.

Decision-making in respect of Group funding

Outputs from the Internal Model are used as the basis for recommendations regarding the release of cash from the Life Companies, for payment of dividends to shareholders or to meet other obligations within the Group.

Informing decisions on significant projects and strategic activity

When determining the viability of a project (for example, a new proposition or funds merger) or a change in strategy, the impacts on financial metrics utilising outputs from the Internal Model will be a key consideration.

Establishing the Annual Operating Plan ('AOP')

The AOP is used to review the expected financial performance of the Group and to ensure it remains aligned with the overall strategy and risk appetite. This involves the production of financial projections using a central set of assumptions. Stress and scenario testing is completed in line with the Group's Risk Appetite Framework. Further details on stress and scenario testing are included in section C.7.

Setting investment strategy

Outputs from the Internal Model are used for setting investment strategy. The investment of assets is a core activity that allows the Group to enhance value and meet policyholder expectations. The Group generates value through investing in a range of asset classes. Policies are in place that set out the strategy to be followed to manage the various investment risks.

Setting assumptions

Assumptions are required to be set for the Group's modelled risks. These assumptions are derived from a range of sources, which include Internal Model outputs, experience analysis, industry benchmarking and expert judgement. Setting of assumptions is subject to extensive governance review and sign-off.

New Business Pricing

Internal Model outputs are used in new business pricing which includes vesting annuities, Bulk Purchase Annuities, SunLife protection business and pensions new business.

Other uses

In addition to the above uses, Internal Model outputs are also used for external reporting, tax planning and setting the Group's remuneration policy.

E.3 Differences between the Standard Formula and any Internal Model used continued

E.3.3 Partial internal model

The Group SCR is determined on a Partial Internal Model basis as it is a combination of Internal Model and Standard Formula components.

The aggregation approach involves summing the SCR for the Standard Formula and Internal Model components, without allowing for any diversification between these two components.

E.3.4 Internal model stress calibration

Overview

The Group has adopted a simulation-based method to calculating the SCR known as the Full Risk Distribution ('FRD') approach. A simulation approach derives a probability distribution forecast using potential profits and losses which arise within a business under a range of real world scenarios. As the number of scenarios increases, the results converge to the distribution being modelled.

The methodology for determining the SCR has the following key stages:

1. Determine the marginal probability distribution function ('PDF') for each individual risk. The majority of market and credit risks are assessed and calibrated through Phoenix's market calibration model. In this case, full marginal forecasts will be produced by fitting statistical distributions based on analyses of empirical data. For insurance risks, where there is not the same richness of empirical data, calibrations at specific percentiles are considered based on a combination of expert judgement and available data. The marginal PDF therefore also needs to be based on expert judgement, with validation of the level of stress at key points on the PDF where appropriate.
2. Using proxy models, determine loss functions for each risk, which attach a profit or loss to changes in the risk factor at each probability level. Proxy models are used for this purpose in place of heavy model runs due to the very large volume of simulations conducted. Loss functions will also capture interactions with other risks.
3. Simulate up to 1 million real world scenarios. In each scenario, all of the individual risks are stressed. The dependency structure component of the simulation based approach effectively joins the individual risk (i.e. marginal risk distributions) to create the joint distribution. The Internal Model uses the Gaussian copula to define the dependency structure.
4. Evaluate profits and losses for each scenario at a fund level (or lower level of granularity).
5. Aggregate profits and losses to an entity and/or Group level.
6. Rank the entity and/or Group profits and losses and determine the 99.5th percentile loss for the SCR. The actual scenario for the SCR can vary significantly from scenario to scenario, but a 'smoothed view' is obtained by averaging scenarios which bracket the 99.5th percentile loss. The more stable view is referred to as the Representative Scenario.
7. Allocate the resulting entity/Group level SCR (which includes diversification) to the underlying entities, funds and risks in order to inform management of the business and reporting requirements.
8. Adjustments may then need to be made to the SCR results for: the application of non-dynamic management actions (i.e. those management actions not already reflected in the proxy models that would be taken under adverse scenarios); LACDT, and any other adjustments that are not reflected via the proxy models.

E.3.5 Methodology and assumption differences between standard formula and internal model

This section includes an explanation of the main differences in methodologies and underlying assumptions used in the Standard Formula and Internal Model SCR.

E.3.5.1 Structural model differences

The structure of the Standard Formula and Internal Model methodology are similar in that for each univariate risk the stressed value of assets and liabilities is compared with the unstressed value of assets and liabilities to determine the univariate SCR. Univariate risk capital amounts are then aggregated to produce an overall SCR.

However, under the Standard Formula, univariate stress tests are aggregated using a correlation matrix rather than modelling the full risk distribution.

E.3.5.2. Differences in the nature of risks considered and application of the stress

The main difference between the assessment of risks under the Internal Model and Standard Formula is that the Internal Model assessment is based on risks relevant to the Group rather than prescribed stresses under the Standard Formula.

The key differences in the risks considered and the stresses applied in the Internal Model are set out below.

It should be noted that where the application (or 'form') of the Internal Model and Standard Formula stresses are the same, the quantum of the stress calibration may still differ.

E.3 Differences between the Standard Formula and any Internal Model used continued

E.3.5 Methodology and assumption differences between standard formula and internal model continued

E.3.5.2. Differences in the nature of risks considered and application of the stress continued

Market risk

Equity Risk – the Internal Model considers the most onerous impact of an upwards and downwards movement in equity values. Changes to the level of implied equity volatility are also considered, together with the impact of equity basis risk on risk mitigating instruments. The Standard Formula considers a fall to equity values that is varied (via the equity dampener) to reflect market conditions at the valuation date.

Interest rate risk – the Internal Model considers a range of upward and downward shifts and twists in the yield curve. The Standard Formula

applies a single upward stress and a single downward stress. The Internal Model also considers changes to the level of implied interest rate volatility.

Swap spread risk – the Internal Model considers the impact of a movement in gilt yields relative to swap yields (and also the movement in other AAA sovereign/supranational bond yields relative to swaps). This risk is not considered under the Standard Formula.

Currency risk – the Internal Model considers up and down movements in different currencies independently, the Standard Formula assumes the currency movements are perfectly correlated. The Internal Model also considers movements in swap rates across different currencies. Both the currency stresses and the swap margin stress are then correlated.

Commercial Property risk – the Internal Model considers both upward and downward movements in property values, while the Standard Formula only considers falls. The Internal Model also considers changes in the level of implied property volatility.

Residential Property risk – the expected cashflows from the underlying equity release mortgages ('ERM') are restructured in a special purpose vehicle to produce Matching Adjustment eligible 'ERM loan notes'. The Internal Model looks through to the potential risks impacting the underlying ERM assets and assesses the impact on the value of the ERM loan notes. These risks include a fall in property values, a rise in property volatility, prepayment risk, longevity risk, morbidity risk and interest rate risk. Under the Standard Formula, ERM loan notes would be treated as a type 2 securitisation and stressed in the credit spread stress. The entities applying the Standard Formula do not have any exposure to the ERM loan notes.

Alternative asset risk – the Internal Model considers the deterioration to the capital position as a result of changes in the level or volatility of alternative asset values. The risk exposure and stresses for each alternative asset is determined by looking through to the underlying investments. Alternative assets include hedge funds, absolute return funds, collateralised debt obligations and leveraged loans. The risk of fraud within hedge funds is also explicitly considered. Under the Standard Formula, alternative investments are considered as part of the equity stress.

Inflation risk – for the Internal Model, a shift and a twist in the inflation curve is considered. Inflation volatility is also stressed. A further additive stress is applied to the gap between RPI and CPI. Under the Standard Formula, inflation risk is captured in the interest rate risk stress and inflation volatility risk is not captured.

Concentration risk – no explicit concentration risk capital is held under the Internal Model. Instead, concentration risk is allowed for implicitly within other risk modules, via the assumption setting process. The Standard Formula assesses concentration risk as a separate risk driver.

Credit risk

Market credit spread risk – the Internal Model considers both a widening and narrowing of credit spreads to corporate bond type assets. The Standard Formula considers a widening of credit spreads for corporate bond type assets, together with a separate stress applied to securitisations, and a bi-directional stress for credit derivatives.

Counterparty default risk –the Internal Model considers the increase in risk margin from a reinsurance default event. Outsourcer default risk is a bespoke calculation under the Internal Model which is not included in the Standard Formula.

Insurance risk

Mortality / catastrophe risk – the Internal Model mortality stress includes a trend element, while the Standard Formula stress does not. The Internal Model application of all other aspects of the stresses is the same as the Standard Formula (although as stated above, the calibration may differ).

Morbidity / disability risk – the Internal Model applies a flat rate stress to all business. The Standard Formula approach to morbidity risk considers a term dependent stress.

Longevity risk – the Internal Model performs two separate stresses covering changes in base table mortality and future longevity improvements. The Standard Formula does not apply a longevity improvements stress, and longevity stresses are not applied to the staff pension schemes under the Standard Formula. The Internal Model application of all other aspects of the stresses is the same as the Standard Formula (although as stated above, the calibration may differ).

Proportion Married – the Internal Model makes allowance for increases in the proportion married assumption where relevant. There is no allowance for proportion married risk in Standard Formula.

E.3 Differences between the Standard Formula and any Internal Model used continued
E.3.5 Methodology and assumption differences between standard formula and internal model continued
E.3.5.2. Differences in the nature of risks considered and application of the stress continued

Lapse risk – the Standard Formula considers the most onerous of an increase in lapse rates, a decrease in lapse rates and a mass lapse scenario. The Internal Model considers three separate persistency risk factors:

1. Dependent persistency - the risk of a major shock to persistency experience as a result of events initiated in the next 12 months.
2. Independent persistency - the risk the current best estimate assumption is inappropriate and the risk of fluctuations around the best estimate assumptions where these factors are unlikely to be materially influenced by economic factors.
3. Financial guarantee persistency risk - the risk the current best estimate assumption is inappropriate and the risk of fluctuations around the best estimate assumptions where these factors are likely to be materially influenced by economic factors. This risk factor primarily relates to the risk of policyholders staying and exercising their guarantees /options where valuable long term financial guarantees are present.

Expense risk – the Standard Formula stress reflects an immediate increase in expenses, together with an increase to expense inflation. The Internal Model stress reflects an immediate increase in expenses, together with a Service Company stress. This stress covers the risk that the Service Companies cannot fulfil their obligations based on the current charges they receive from the Life Companies and the Life Companies incur additional expenses as a result.

New business pricing risk – under the Internal Model allowance is made for new business pricing risk. Allowance for new business risk is not required under the Standard Formula.

ERM prepayment risk – under the Internal Model, Voluntary Early Repayment ('VER' or 'prepayment') risk is the risk that ERMs are redeemed at different rates than assumed potentially resulting in reduced revenue and /or financial losses. This VER risk is distinct from the allowance made for ERM prepayment under Market Risk, which instead covers changes in prepayment rates as a result of interest rate movements. There is no equivalent VER stress applied to ERMs under the Standard Formula.

Financial Soundness risk
Tax risk – the Internal Model considers the risk of an increase in tax rates or challenges from HMRC in respect of previously submitted tax returns. This risk is not covered under the Standard Formula.

Operational Risk
Operational risk – under the Internal Model, a range of operational risks are assessed using a frequency-severity approach and combined using a Gaussian copula that uses a 2-tier correlation matrix as an input. The Standard Formula uses a formulaic approach.

Strategic Risk
Strategic risk encompasses the risks arising from a sub-optimal business strategy or sub-optimal implementation of the strategy. Under the Internal Model, risk capital is held to cover the costs which could be incurred if some investment management agreements are dissolved. No equivalent stress is required under the Standard Formula.

E.3.5.3 Other methodology and assumption differences

A number of other differences exist between the Internal Model and Standard Formula. The key differences are explained below.

Aggregation
As highlighted in section E.3.5.1 above, the Internal Model aggregation approach is based on a full risk distribution rather than correlation matrices used in the Standard Formula.

The Internal Model uses a simulation based approach to aggregate risk capital requirements in the calculation of the SCR. The dependency structure component of the simulation based approach effectively joins the individual marginal risk distributions to create the joint distribution. The Internal Model uses the Gaussian copula to define the dependency structure. The Gaussian copula is parameterised using a pairwise correlation matrix.

Loss functions define how the value of basic own funds moves when subjected to one or more risk factor changes. Non-linear interactions between losses are allowed for via non-linear terms within the loss functions. Therefore non-linearity of risks is captured within each of the simulations. Interactions between risks are allowed for via cross terms within the loss functions.

Under the FRD approach, the directionality of risks is reflected in the generation of the real world scenarios, taking into account the marginal risk distributions and joint dependency structure.

The Internal Model permits diversification between Matching Adjustment portfolios, shareholder-supported with-profits funds, shareholder-supported pension schemes and other non-ring-fenced funds and entities. No diversification is allowed with self-supporting with-profits funds and pension schemes. The Standard Formula does not allow any diversification with ring-fenced funds (whether or not they are shareholder-supported) or Matching Adjustment portfolios.

E.3 Differences between the Standard Formula and any Internal Model used continued

E.3.5 Methodology and assumption differences between standard formula and internal model continued

E.3.5.3 Other methodology and assumption differences continued

Under the Group's Partial Internal Model, the SCR for the Standard Formula is aggregated with Internal Model entities according to Partial Internal Model Integration Technique 1 (as detailed in section 16C of the 'Solvency Capital Requirement – Internal Models' part of the PRA Rulebook). This amounts to summing the SCR for the Standard Formula and Internal Model components, without any diversification between the two.

Management actions

For the Group, management actions primarily apply to with-profit funds. The management actions available for use in the calculation of the SCR for each with-profit fund are consistent with those actions set out in the funds' Principles and Practices of Financial Management ('PPFM').

The SCR for a with-profit fund allows for 'dynamic' management actions and additionally may allow for 'non-dynamic' management actions.

Dynamic management actions reflect those actions that form part of normal working practice, for example, varying annual and final bonus rates in the calculation of base and stressed technical provisions.

Non-dynamic management actions are additional actions that are not considered part of normal day-to-day working practice, for example, removal of past conditional estate distributions, removing future smoothing or increased asset share/guarantee charges.

Under the Group's Internal Model, allowance is made for non-dynamic actions within each simulation if they are available. Non-dynamic management actions are only taken in the SCR to the extent required to restore surplus funds to zero. Apart from removal of conditional estate distributions, management actions are restricted so that no credit is taken against non-chargeable risks events. Certain BPAs are temporarily being held in the non-Matching portfolio. In the event of reinsurer default there is a management action to transfer those BPAs and recovered reinsurance assets into the Matching Adjustment portfolio, thereby resulting in a lower loss on default.

The Standard Formula approach to management actions involves calculating two different measures, the net Basic SCR ('nBSCR') and gross Basic SCR ('BSCR'). No allowance for management actions is made in the BSCR. In the nBSCR, dynamic management actions are allowed for in each univariate stress. Non-dynamic management actions can then subsequently be used in each univariate stress to offset the part of the SCR caused by a negative estate. The difference between the BSCR and nBSCR is used to derive the Loss Absorbing Capacity of Technical Provisions ('LACTP').

Risk mitigating techniques

Risk mitigating techniques represent arrangements that have been entered into by the Group with the aim of transferring part or all of the risk associated with a particular element of the business. These techniques aim to mitigate against:

- market /credit risks – through the use of instruments such as derivatives; and
- underwriting risks – through the use of reinsurance arrangements.

These arrangements introduce additional default risk in relation to the arrangement counterparty(s). This risk is managed in many cases through the use of collateral arrangements.

Under Solvency UK rules, there are strict criteria that must be met in order for an instrument to qualify as risk mitigating. Differences between the Internal Model and Standard Formula methodology are summarised below.

Risk mitigation criteria – the Standard Formula rules specify a strict list of criteria that must be met in order to allow a risk mitigation benefit. Internal Model requirements are less prescriptive, but broadly consistent with the Standard Formula (with the exception of basis risk).

Basis risk – only risk mitigating instruments with no (or immaterial) basis risk provide a capital benefit under the Standard Formula SCR. Internal Model basis risk is captured through reductions in the effectiveness of the risk mitigating instrument under the relevant stressed conditions. This is achieved by allowing for only a proportion of the change in the movement of the risk mitigating instrument under stressed conditions.

Financial risk mitigation – under the Standard Formula, where the instrument is fully risk mitigating, both the risk mitigating instrument and the asset/liability being hedged will not be stressed. Where the instrument is not fully risk mitigating, the risk mitigating instrument and the asset/liability being hedged will be stressed in tandem, provided that the instrument is not subject to material basis risk. If the instrument is subject to material basis risk, then no capital benefit will be recognised for the instrument under stress. Under the Internal Model, the risk mitigating instrument and the asset/liability being hedged are stressed in tandem, with an allowance for any basis risk.

Insurance risk mitigation – under the Standard Formula, reinsurance arrangements are treated as fully risk mitigating while the counterparty to a reinsurance contract continues to comply with its SCR and MCR. If reinsurance arrangements are fully risk mitigating, then the value of the reinsurance asset will be re-valued under each stress in line with the reinsured liabilities. If the arrangement is partially risk mitigating, the reinsurance asset will be re-valued under each stress to the extent that the associated (stressed) collateral covers the risk exposure. When a counterparty to the reinsurance contract ceases to comply with its MCR, or to comply with its SCR after a period of 6 months has elapsed, the arrangement is not risk mitigating and the reinsurance asset is not stressed, but the reinsured liabilities will be stressed. The Internal Model approach takes the full risk mitigation benefit, as Phoenix considers all of its reinsurance arrangements to be fully risk mitigating subject to allowance for counterparty default risk.

E.3 Differences between the Standard Formula and any Internal Model used continued

E.3.5 Methodology and assumption differences between standard formula and internal model continued

E.3.5.3 Other methodology and assumption differences continued

Risk mitigating techniques continued

Counterparty default risk on risk mitigating instruments – under the Standard Formula, counterparties are classified into Type 1 and Type 2 exposures. An exposure is Type 1 if credit rating and diversification criteria are met. Other exposures are Type 2. The risk capital calculation is prescribed for Type 1 and Type 2. The calculation allows for loss, probability of loss (based on credit worthiness), recoverability and risk mitigation. Type 1 and Type 2 risk capital are aggregated using a correlation factor of 0.75 to produce the overall counterparty default risk SCR. Internal arrangements are not considered (e.g. fund-to-fund arrangements at an Entity level or Entity-Entity arrangements at a Group level). Outsourcer arrangements are not included in the Standard Formula because they are not classified as risk mitigating under this basis. In the Internal Model reinsurance and derivative arrangements are subject to separate counterparty default stresses. For reinsurance arrangements the counterparty default risk recognises that an increase in the risk margin would result from default of the counterparty as the ceded liabilities are recaptured. This is also consistent with calculation of the counterparty default adjustment. For derivatives risk capital is only recognised for bi-lateral arrangements not subject to central clearing as default risk for exchange traded/centrally cleared derivatives is considered beyond a 1:200 event.

Internal loans

The Standard Formula stresses Group loans according to the credit spread and interest rate risk modules. The impact on each individual risk module is eliminated when aggregating the SCR to Group level, before correlating with other risks.

Under the Internal Model, counterparty credit risk capital is held in respect of intra-group loans, with the lending entity holding SCR against the risk of default. Upon Group consolidation, the counterparty credit risk capital requirement is zeroised, such that intra-group loans make nil net contribution to the Group SCR.

Intra-group insurance and reinsurance

Under the Standard Formula, intra-group insurance or reinsurance transactions involving RFFs or Matching Adjustment portfolios are not eliminated when consolidating to Group level. All other intra-group insurance and reinsurance arrangements are eliminated when calculating the Group SCR.

Under the Internal Model, for reinsurance between Life Companies (or funds of Life Companies), Own Funds and SCR are calculated assuming that the company which accepts the reinsurance retains the associated assets and liabilities. No SCR is held by the ceding company in relation to the risks reinsured. For insurance between a Group defined benefit pension scheme and a life company, the insurance is eliminated for the Group consolidation of Own Funds and SCR.

Residual related undertakings ('RRUs')

The Standard Formula treats RRU's as strategic participations and applies a capital charge which does not diversify against any other Group undertakings. The Internal Model assessment looks through to the underlying risks and allows diversification with the rest of the Group.

E.3.6 Risk measures and time periods used in the internal model

The risk measures and time periods used in the Internal Model are in line with those set out by the regulations, i.e. the SCR is assessed by considering the capital resources required to ensure that the Own Funds are sufficient to meet a stress event calibrated to a 99.5% confidence level over a one-year period. In practice, stress events are assumed to occur instantaneously rather than over a one-year period.

E.3.7 Nature and appropriateness of data

A range of information is used within the Internal Model; this includes the relevant market data (both current for the valuation date, and the historic data to calibrate stresses), and internal policyholder data used to calculate our liabilities as well as historic policyholder experience to calibrate our underwriting risk stresses. The sources used in each instance have been chosen considering the range of options available and the appropriateness of the data sets for the purpose for which they are used. Where external data is used, this is sourced from reputable suppliers (e.g. Office for National Statistics, Bank of England, and Continuous Mortality Investigation). The Group also has an internal data governance framework, which sets the standard which the data must meet and is used as a means to escalate any issues appropriately.

E.4 Non-compliance with the Minimum Capital Requirement and non-compliance with the Solvency Capital Requirement

The Group, and each of its insurance subsidiaries held Own Funds in excess of both the SCR and MCR throughout the reporting period and therefore fully complied with capital requirements.

E.5 Any other information

There is no further material information to be disclosed regarding the Group and insurance subsidiaries' Own Funds and SCR.

In this section

Appendices and additional information

Appendix and additional information

ADJUSTED OPERATING PROFIT	Adjusted operating profit is a non-GAAP measure that is considered a more representative measure of performance than IFRS profit or loss after tax as it provides long-term performance information unaffected by short term economic volatility.
ALTERNATIVE PERFORMANCE MEASURE ('APM')	A measure of historic or future financial performance, financial position or cash flows, other than a financial measure defined under IFRS or under Solvency UK regulations. The Group uses a range of such metrics to provide a better understanding of the underlying performance of the Group.
ANNUAL OPERATING PLAN ('AOP')	The Group's five-year strategic plan approved by the Board.
ANNUITY	A policy that pays regular benefit amounts, either immediately and for the remainder of a policyholder's lifetime (immediate annuity) or deferred to commence at some future date (deferred annuity).
ASSET LIABILITY MANAGEMENT ('ALM')	Management of mismatches between assets and liabilities within risk appetite.
ASSET MANAGEMENT	Investment of assets using a structured approach to guide the act of acquiring and disposing of assets, with the objective of meeting defined investment goals and maximising value for investors, including policyholders.
ASSETS UNDER ADMINISTRATION ('AUA')	Assets administered by or on behalf of the Group, covering both policyholder funds and shareholder assets.
BEST ESTIMATE LIABILITY ('BEL')	The probability weighted average of future cash flows, considering the time value of money (expected present value of future cash flows), using the relevant interest rate term structure and taking into account economic and non-economic assumptions.
BULK PURCHASE ANNUITIES ('BPA')	A bulk annuity is an insurance policy that is purchased by pension scheme trustees to better secure members' benefits by removing investment, inflation and longevity risk associated with defined benefit pension schemes.
CLOSED LIFE FUND	A fund that no longer accepts new business. The fund continues to be managed for the existing policyholders.
DEFINED BENEFIT PENSION	A pension that defines the retirement benefits receivable by the member of a pension scheme irrespective of contributions paid or investment gains.
DEFINED CONTRIBUTION PENSION	A pension whereby the retirement benefits receivable will depend on the amount and frequency of contributions paid into the pension scheme, the investment gains on those contributions and the annuity rates at the time of retirement. The exact pension valuation will not be known until the point of retirement.
ECONOMIC ASSUMPTIONS	Assumptions related to future interest rates, inflation, market value movements and tax.
EIOPA	European Insurance and Occupational Pensions Authority.
EQUITY RELEASE MORTGAGE ('ERM')	An equity release mortgage product enables a homeowner aged over 55 to draw a lump sum or regular smaller sums from the value of the home whilst continuing to occupy the home.
FAIR VALUE	The amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties in an arm's length transaction.
FINANCIAL CONDUCT AUTHORITY ('FCA')	The body responsible for supervising the conduct of all financial services firms and for the prudential regulation of those financial services firms not supervised by the Prudential Regulation Authority ('PRA'), such as asset managers and independent financial advisers.
FREE SURPLUS	The amount of capital held in life companies in excess of that needed to support their regulatory Solvency Capital Requirement, plus the capital required under the Board approved capital management policy.
GENERALLY ACCEPTED ACCOUNTING PRINCIPLES ('GAAP')	A common set of accounting principles, standards and procedures that companies must follow when they compile their financial statements.
IN-FORCE	Long-term business written before the period end and which has not terminated before the period end.
INTERNATIONAL FINANCIAL REPORTING STANDARDS ('IFRS')	Accounting standards, interpretations and the framework adopted by the International Accounting Standards Board ('IASB').
INTERNAL MODEL ('IM')	A risk measurement system developed by an insurer to analyse its individual risk profile, quantify risks and determine the economic capital required to meet those individual risks.

LIFE COMPANY	A subsidiary entity of the Group providing life and pension products.
LINE OF BUSINESS ('LoB')	The applicable lines of business as prescribed by Annex I of the Technical Provisions – Further Requirements Part of the PRA Rulebook.
LONG TERM GUARANTEE MEASURES	The extrapolation of risk-free interest rates, the Matching Adjustment ('MA'), the Volatility Adjustment ('VA'), the extension of the recovery period in case of non-compliance with the SCR, the transitional measures on the risk-free interest rates and the Transitional Measure on Technical Provisions ('TMTP').
LONG-TERM INCENTIVE PLAN ('LTIP')	The part of an executive's remuneration designed to incentivise long-term value for shareholders through an award of shares with vesting contingent on employment and the satisfaction of stretching performance conditions linked to Group strategy.
MANAGEMENT SERVICE AGREEMENT ('MSA')	Contracts that exist between the Phoenix Life and Services Companies or between Services Companies and their outsource partners.
MATCHING ADJUSTMENT ('MA')	An allowance, subject to PRA's approval that allows insurers to use a higher discount rate, based on the underlying assets, when valuing liabilities that meet strict eligibility criteria.
MINIMUM CAPITAL REQUIREMENT ('MCR')	The minimum amount of capital that the Group needs to hold to cover its risks under the Solvency UK regulatory framework.
NEW BUSINESS CONTRIBUTION	Represents the increase in Solvency II shareholder Own Funds arising from new business written in the year, assuming assets have been fully transitioned into the pricing portfolio and provides an assessment of the day one value (excluding a cost of capital) arising on the writing of new business on a discounted basis. It is adjusted to exclude (i) prudence in the Fundamental Spread, (ii) the associated risk margin and (iii) any restrictions in respect of contract boundaries. It is stated on a net of tax basis, net of acquisition costs and includes future year cash flows in which long-term maintenance costs are deducted and therefore it excludes any short-term cost overruns.
NON-ECONOMIC ASSUMPTIONS	Assumptions related to future levels of mortality, morbidity, persistency and expenses.
NON-PROFIT FUND	A life fund, which is not a with-profit fund, where risks and rewards of the fund fall wholly to the shareholders.
OWN FUNDS	Basic Own Funds comprise the excess of assets over liabilities valued in accordance with the Solvency UK principles and subordinated liabilities which qualify to be included in Own Funds under the Solvency UK rules. Eligible Own Funds are the amount of Own Funds that are available to cover the Solvency Capital Requirements after applying prescribed quantitative limits and transferability and fungibility restrictions to Basic Own Funds.
OWN RISK AND SOLVENCY ASSSESSMENT ('ORSA')	The processes undertaken to provide a forward-looking assessment of the Group's risk and capital profile, under normal and stress scenarios, as a result of its proposed business strategy and Annual Operating Plan.
PARTIAL INTERNAL MODEL ('PIM')	The model used to calculate the Group Solvency Capital Requirement pursuant to Solvency UK. It aggregates outputs from the Internal Model and the Standard Formula with no diversification between the two.
PARTICIPATION	An entity in which a parent undertaking holds ownership of 20% or more of the voting rights or capital of that entity, whether directly or indirectly, and an entity over which a parent undertaking effectively exercises dominant or significant influence.
PART VII TRANSFER	The transfer of insurance policies under Part VII of Financial Services and Markets Act 2000 ('FSMA') 2000. The insurers involved can be in the same corporate group or in different groups. Transfers require the consent of the High Court, which will consider the views of the PRA and FCA and of an Independent Expert.
PRUDENTIAL REGULATION AUTHORITY ('PRA')	The body responsible for the prudential regulation and supervision of banks, building societies, credit unions, insurers and major investment firms. The PRA and FCA use a Memorandum of Understanding to co-ordinate and carry out their respective responsibilities.
PRINCIPLES AND PRACTICES OF FINANCIAL MANAGEMENT ('PPFM')	A publicly available document which explains how the Company's with-profit business is managed. As part of demonstrating that customers are treated fairly, the Board certifies the Company's compliance with the PPFM.
REASSURE	The businesses of ReAssure Limited and ReAssure Life Limited which were acquired on 22 July 2020.

RING FENCED FUND ('RFF')	Arrangement by which assets are earmarked or allocated to meet specific liabilities to the exclusion of other liabilities or losses. The own funds' surplus for these arrangements may have a reduced capacity to absorb losses on a going concern basis due to their lack of transferability under Solvency UK.
RISK MARGIN	The amount used to ensure that the value of the technical provisions is equivalent to the amount that a Life Company would be expected to require in order to take over and meet insurance and reinsurance obligations.
SENIOR MANAGERS AND CERTIFICATION REGIME ('SMCR')	Legislation was extended in 2016 setting standards of conduct in financial services to apply to all UK authorised insurance firms to ensure greater personal accountability at all levels, minimum standards of conduct and that colleagues in key jobs are fit and proper to perform their roles.
SHARE CAPITAL COVERAGE RATIO	Represents total Eligible Own Funds divided by Solvency Capital Requirement ('SCR'), adjusted to a shareholder view through the exclusion of amounts relating to those ring-fenced with-profit funds and Group pension schemes whose Own Funds exceed their SCR.
SOLVENCY II	A regime that governs the prudential regulation of insurance firms that was introduced by the European Union ('EU') on 1 January 2016.
SOLVENCY II REGULATIONS	On-shored EU regulations retained in UK law after the UK's exit from the EU on 31 December 2020 until they were revoked on 31 December 2024.
SOLVENCY II REGULATORY FRAMEWORK	Before 31 December 2024, this comprised PRA Rulebook – Solvency II firms and associated guidance, PRA supervisory statements, Solvency II Regulations, EIOPA guidelines. From 31 December 2024, this comprises the PRA Rulebook – insurance firms subject to the UK Solvency II regime, PRA Supervisory Statements, applicable EIOPA guidelines.
SOLVENCY II SURPLUS	The excess of Eligible Own Funds over the Solvency Capital Requirement.
SOLVENCY CAPITAL REQUIREMENT ('SCR')	SCR relates to risks and obligations to which the Group is exposed and calibrated so that the likelihood of a loss exceeding the SCR is less than 0.5% over one year. This ensures that capital is sufficient to withstand a broadly '1-in-200' event.
SOLVENCY UK	Solvency II as modified by the PRA's 2024 reforms.
SS 5/19	Supervisory Statement number 5 issued by the PRA in September 2019 setting out expectations for the management of liquidity risk by UK insurers.
STANDARD FORMULA	A set of calculations prescribed by the regulations for generating the SCR.
TECHNICAL PROVISIONS ('TP')	The sum of the Best Estimate Liabilities and the risk margin. Technical provisions include Transitional Measures on Technical Provisions where firms have received PRA approval to apply the deduction.
TECHNICAL PROVISIONS AS A WHOLE	Unit reserves recognised separately, to aid in the identification of future profits component of unit-linked technical provisions.
THE PENSIONS REGULATOR ('TPR')	A non-departmental public body which regulates work-based pension schemes in the UK.
TRANSITIONAL MEASURE ON TECHNICAL PROVISIONS ('TMTP')	An allowance, subject to the PRA's approval, to apply a transitional deduction to technical provisions. The transitional deduction corresponds to the difference between net technical provisions calculated in accordance with Solvency UK principles and net technical provisions calculated in accordance with the previous regime. It is expected to decrease linearly over a period of 16 years starting from 1 January 2016 to 1 January 2032.
TOTAL SHAREHOLDER RETURN ('TSR')	The gain, over a fixed period, to an investor in terms of share price growth and dividends (assuming that dividends received are re-invested on the ex-dividend date in acquiring further shares).
UNIT-LINKED ('UL') CONTRACT	A policy in which the benefits are determined by the investment performance of the underlying assets in the unit-linked fund.
WATES PRINCIPLES	"The Wates Corporate Governance Principles for Large Private Companies", is a set of guidance which offers all companies that are not subject to a formal corporate governance code an opportunity to consider their approach to governance. The Wates Principles offer a company a framework of expectations which allow a company that had previously not been subject to a governance code to meet the requirements of "The Companies (Miscellaneous Reporting) Regulations 2018" which require all companies of a significant size to disclose their corporate governance arrangements.
WITH-PROFIT FUND	A fund in which policyholders are entitled to a share of the profits of the fund. Normally, policyholders receive their share of the profits through bonuses. Also known as a participating fund because policyholders have a participating interest in the with-profit fund and any declared bonuses. Generally, policyholder and shareholder participation in with-profit funds in the UK is split 90:10.
VOLATILITY ADJUSTMENT ('VA')	A measure to ensure the appropriate treatment of insurance products with long-term guarantees under Solvency UK and is used to adjust the risk-free rate to mitigate the effect of short-term volatility of bond spreads on the solvency position.

Appendices 1 – 7 Quantitative Reporting Templates (31 December 2024)
This report has been prepared in conjunction with the following QRTs. The table below illustrates the templates applicable to the PGH Group and each insurance subsidiary:

QRT number	QRT name	PGH Group (Appendix 1)	PLL (Appendix 2)	RAL (Appendix 3)	RLL (Appendix 4)	PLCL (Appendix 5)	SLAL (Appendix 6)	PA(GI) (Appendix 7)
IR.02.01.02	Balance sheet	✓	✓	✓	✓	✓	✓	✓
IR.05.02.01	Premiums, claims and expenses by country	✓	✓	✓	✓	✓	-	-
IR.05.03.02	Life income and expenditure	✓	✓	✓	✓	✓	-	-
IR.12.01.02	Life technical provisions (solo)	–	✓	✓	✓	✓	✓	–
IR.22.01.21	Impact of long term guarantees measures and transitionals (solo)	–	✓	✓	–	–	–	–
IR..22.01.22	Impact of long term guarantees measures and transitionals (Group)	✓	–	–	–	–	–	–
IR.23.01.01	Own Funds (solo)	–	✓	✓	✓	✓	✓	✓
IR.23.01.04	Own Funds (Group)	✓	–	–	–	–	–	–
IR.25.04.21	Solvency Capital Requirement – (solo)	–	✓	✓	✓	✓	-	✓
IR.25.04.22	Solvency Capital Requirement (Group)	✓	–	–	–	–	–	–
IR.28.01.01	Minimum Capital Requirement – only life or only non-life insurance or reinsurance activity (solo)	–	✓	✓	✓	✓	✓	✓
IR.32.01.22	Undertakings in the scope of the Group	✓	–	–	–	–	–	–

All public disclosure QRTs shown in the Appendices are presented in sterling (£) rounded to the nearest thousand.

Appendix and additional information continued

Appendix 1 – Quantitative Reporting Templates (31 December 2024) – PGH Group

Appendix 1.1 – IR.02.01.02 Balance Sheet

		Solvency II value
		C0010
Assets		
Goodwill	R0010	
Deferred acquisition costs	R0020	
Intangible assets	R0030	-
Deferred tax assets	R0040	419,727
Pension benefit surplus	R0050	37,092
Property, plant & equipment held for own use	R0060	73,888
Investments (other than assets held for index-linked and unit-linked contracts)	**R0070**	**92,265,997**
Property (other than for own use)	R0080	973,814
Holdings in related undertakings, including participations	R0090	35,225,042
Equities	R0100	1,562,707
Equities - listed	R0110	1,513,339
Equities - unlisted	R0120	49,368
Bonds	R0130	47,538,034
Government Bonds	R0140	25,193,546
Corporate Bonds	R0150	22,113,512
Structured notes	R0160	136,463
Collateralised securities	R0170	94,513
Collective Investments Undertakings	R0180	4,696,504
Derivatives	R0190	2,260,310
Deposits other than cash equivalents	R0200	9,586
Other investments	R0210	-
Assets held for index-linked and unit-linked contracts	R0220	182,742,324
Loans and mortgages	**R0230**	**7,758,769**
Loans on policies	R0240	21,134
Loans and mortgages to individuals	R0250	-
Other loans and mortgages	R0260	7,737,635
Reinsurance recoverables from:	**R0270**	**15,801,045**
Non-life and health similar to non-life	R0280	-
Life and health similar to life, excluding index-linked and unit-linked	R0315	6,349,652
Life index-linked and unit-linked	R0340	9,451,393
Deposits to cedants	R0350	-
Insurance and intermediaries receivables	R0360	283,472
Reinsurance receivables	R0370	127,402
Receivables (trade, not insurance)	R0380	2,912,423
Own shares (held directly)	R0390	-
Amounts due in respect of own fund items or initial fund called up but not yet paid in	R0400	-
Cash and cash equivalents	R0410	700,208
Any other assets, not elsewhere shown	R0420	-
Total assets	**R0500**	**303,122,347**

Appendix 1 – Quantitative Reporting Templates (31 December 2024) – PGH Group continued

Appendix 1.1 – IR.02.01.02 Balance Sheet continued

		Solvency II value
		C0010
Liabilities		
Technical provisions - total	**R0505**	**274,858,382**
Technical provisions - non-life	R0510	-
Technical provisions - life	R0515	274,858,382
Best estimate - total	R0542	275,438,011
Best estimate - non-life	R0544	-
Best estimate - life	R0546	275,438,011
Risk margin - total	R0552	846,891
Risk margin - non-life	R0554	-
Risk margin - life	R0556	846,891
Transitional (TMTP) - life	R0565	1,426,520
Other technical provisions	R0730	
Contingent liabilities	R0740	-
Provisions other than technical provisions	R0750	201,630
Pension benefit obligations	R0760	1,312,100
Deposits from reinsurers	R0770	3,510,910
Deferred tax liabilities	R0780	1,642,021
Derivatives	R0790	3,651,505
Debts owed to credit institutions	R0800	801,832
Financial liabilities other than debts owed to credit institutions	R0810	1,605
Insurance & intermediaries payables	R0820	2,109,766
Reinsurance payables	R0830	164,079
Payables (trade, not insurance)	R0840	1,210,752
Subordinated liabilities	**R0850**	**3,281,926**
Subordinated liabilities not in Basic Own Funds	R0860	-
Subordinated liabilities in Basic Own Funds	R0870	3,281,926
Any other liabilities, not elsewhere shown	R0880	-
Total liabilities	**R0900**	**292,746,508**
Excess of assets over liabilities	**R1000**	**10,375,839**

Appendix 1.2 – IR.05.02.01 Premiums, claims and expenses by country

Home Country - life obligations			**Top 5 countries (by amount of gross premiums written) - life obligations**					**Total Top 5 and home country - life obligations**
		Home country	Country (by amount of gross premiums written) - life obligations					Total Top 5 and home country
	R01400		IE	DE	AT	SE	IS	
		C0220	C0230	C0240	C0250	C0260	C0270	C0280
Premiums written								
Gross	R1410	21,591,344	1,175,000	770,593	85,200	545	292	23,622,974
Reinsurers' share	R1420	3,400,565	1,008	34,172	-	-	158	3,435,903
Net	**R1500**	**18,190,779**	**1,173,992**	**736,421**	**85,200**	**545**	**134**	**20,187,071**
Premiums earned								
Gross	R1510	21,591,344	1,175,000	770,593	85,200	545	292	23,622,974
Reinsurers' share	R1520	3,400,565	1,008	34,172	-	-	158	3,435,903
Net	**R1600**	**18,190,779**	**1,173,992**	**736,421**	**85,200**	**545**	**134**	**20,187,071**
Claims incurred								
Gross	R1610	27,268,814	948,718	810,346	117,358	13,701	432	29,159,369
Reinsurers' share	R1620	4,019,464	1,453	17,206	-	-	-	4,038,123
Net	**R1700**	**23,249,350**	**947,265**	**793,140**	**117,358**	**13,701**	**432**	**25,121,246**
Net expenses incurred	**R1900**	**1,635,494**	**94,371**	**107,794**	**16,008**	**105**	**-**	**1,853,772**

Appendix 1 – Quantitative Reporting Templates (31 December 2024) – PGH Group continued

Appendix 1.3 – IR.05.03.02 Life income and expenditure

		Insurance with profit participation	Index-linked and unit-linked insurance	Life annuities	Non-life annuities	Other life insurance	Health insurance	Total life and health
		C0010	C0020	C0030	C0040	C0050	C0060	C0070
Premiums written								
Gross direct business	R0010	812,952	15,782,848	6,156,406	-	827,591	43,236	**23,623,033**
Gross reinsurance accepted	R0020	21	(54)	-	-	(27)	-	**(60)**
Gross	**R0030**	**812,973**	**15,782,794**	**6,156,406**	**-**	**827,564**	**43,236**	**23,622,973**
Reinsurers' share	R0040	33,721	693,687	2,198,812	-	493,420	16,263	**3,435,903**
Net	**R0050**	**779,252**	**15,089,107**	**3,957,594**	**-**	**334,144**	**26,973**	**20,187,070**
Claims incurred								
Gross direct business	R0110	4,544,711	20,041,619	3,308,480	-	1,178,455	49,096	**29,122,361**
Gross reinsurance accepted	R0120	1,652	35,923	1,020	-	(92)	122	**38,625**
Gross	**R0130**	**4,546,363**	**20,077,542**	**3,309,500**	**-**	**1,178,363**	**49,218**	**29,160,986**
Reinsurers' share	R0140	26,550	1,476,110	1,855,424	-	664,564	15,476	**4,038,124**
Net	**R0150**	**4,519,813**	**18,601,432**	**1,454,076**	**-**	**513,799**	**33,742**	**25,122,862**
Expenses incurred								
Gross direct business	R0160	332,266	896,283	176,501	-	419,603	8,052	**1,832,705**
Gross reinsurance accepted	R0170	(2,026)	23,102	-	-	-	-	**21,076**
Gross	**R0180**	**330,240**	**919,385**	**176,501**	**-**	**419,603**	**8,052**	**1,853,781**
Reinsurers' share	R0190	-	-	-	-	-	-	**-**
Net	**R0200**	**330,240**	**919,385**	**176,501**	**-**	**419,603**	**8,052**	**1,853,781**
Other expenses	R0300							5,042
Transfers and dividends								
Dividends paid	R0440							533,243

Appendix 1 – Quantitative Reporting Templates (31 December 2024) – PGH Group continued

Appendix 1.4 – IR.22.01.22 Impact of long term guarantees measures and transitionals

			Impact of the LTG measures and transitionals (Step-by-step approach)			
		Amount with Long Term Guarantee measures and transitionals	Impact of transitional on technical provisions	Impact of transitional on interest rate	Impact of volatility adjustment set to zero	Impact of matching adjustment set to zero
		C0010	C0030	C0050	C0070	C0090
Technical provisions	R0010	274,858,382	1,426,520	-	18,055	4,355,367
Basic own funds	R0020	10,140,060	(835,556)	-	(12,912)	(3,307,055)
Eligible own funds to meet Solvency Capital Requirement	R0050	10,365,121	(835,556)	-	(12,912)	(3,307,055)
Solvency Capital Requirement	R0090	6,850,139	58,831	-	2,499	4,538,754

Appendix 1 – Quantitative Reporting Templates (31 December 2024) – PGH Group continued

Appendix 1.5 – IR.23.01.04 Own Funds Group

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Basic own funds						
Ordinary share capital (gross of own shares)	R0010	100,311	100,311		-	
Non-available called but not paid in ordinary share capital at group level	R0020	-	-		-	
Share premium account related to ordinary share capital	R0030	16,253	16,253		-	
Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	R0040	-	-		-	
Subordinated mutual member accounts	R0050	-	-	-	-	-
Non-available subordinated mutual member accounts at group level	R0060	-	-	-	-	-
Surplus funds	R0070	4,480,360	4,480,360			
Non-available surplus funds at group level	R0080	-	-			
Preference shares	R0090	500,000		500,000	-	-
Non-available preference shares at group level	R0100	-		-	-	-
Share premium account related to preference shares	R0110	-		-	-	-
Non-available share premium account related to preference shares at group level	R0120	-		-	-	-
Reconciliation reserve	R0130	1,341,483	1,341,483			
Subordinated liabilities	R0140	3,281,926		597,152	2,446,868	237,906
Non-available subordinated liabilities at group level	R0150	-		-	-	-
An amount equal to the value of net deferred tax assets	R0160	419,727				419,727
The amount equal to the value of net deferred tax assets not available at the group level	R0170	-				-
Other items approved by supervisory authority as basic own funds not specified above	R0180	-	-	-	-	-
Non available own funds related to other own funds items approved by supervisory authority	R0190	-	-	-	-	-
Minority interests (if not reported as part of a specific own fund item)	R0200	-	-	-	-	-
Non-available minority interests at group level	R0210	-	-	-	-	-
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds						
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds	R0220	-				
Deductions						
Deductions for participations where there is non-availability of information	R0250	-	-	-	-	-
Deduction for participations included by using D&A when a combination of methods is used	R0260	-	-	-	-	-
Total of non-available own fund items	R0270	-	-	-	-	-
Total deductions	R0280	-	-	-	-	-
Total basic own funds after deductions	R0290	**10,140,060**	**5,938,407**	**1,097,152**	**2,446,868**	**657,633**

Appendix and additional information continued

Appendix 1 – Quantitative Reporting Templates (31 December 2024) – PGH Group continued

Appendix 1.5 – IR.23.01.04 Own Funds Group continued

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Ancillary own funds						
Unpaid and uncalled ordinary share capital callable on demand	R0300	-			-	
Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	R0310	-			-	
Unpaid and uncalled preference shares callable on demand	R0320	-			-	-
A legally binding commitment to subscribe and pay for subordinated liabilities on demand	R0330	-			-	-
Letters of credit and guarantees	R0340	-			-	
Letters of credit and guarantees other	R0350	-			-	-
Supplementary members calls	R0360	-			-	
Supplementary members calls - other	R0370	-			-	-
Non available ancillary own funds at group level	R0380	-			-	-
Other ancillary own funds	R0390	-			-	-
Total ancillary own funds	R0400	-			-	-
Own funds of other financial sectors						
Credit institutions, investment firms, financial institutions, alternative investment fund managers, UCITS management companies – total	R0410	(5,576)	(5,576)	-	-	
Institutions for occupational retirement provision	R0420	-	-	-	-	
Non regulated entities carrying out financial activities	R0430	230,637	230,637	-	-	
Total own funds of other financial sectors	R0440	225,061	225,061	-	-	
Own funds when using the D&A, exclusively or in combination of method 1						
Own funds aggregated when using the D&A and combination of method	R0450	-	-	-	-	-
Own funds aggregated when using the D&A and combination of method net of IGT	R0460	-	-	-	-	-
Total available own funds to meet the consolidated group SCR (excluding own funds from other financial sector and from the undertakings included via D&A)	**R0520**	**10,140,060**	**5,938,407**	**1,097,152**	**2,446,868**	**657,633**
Total available own funds to meet the minimum consolidated group SCR	**R0530**	**9,482,427**	**5,938,407**	**1,097,152**	**2,446,868**	
Total eligible own funds to meet the consolidated group SCR (excluding own funds from other financial sector and from the undertakings included via D&A)	**R0560**	**10,140,060**	**5,938,407**	**1,097,152**	**2,446,868**	**657,633**
Total eligible own funds to meet the minimum consolidated group SCR	**R0570**	**7,495,374**	**5,938,407**	**1,097,152**	**459,815**	
Consolidated Group SCR	**R0590**	**6,850,139**				
Minimum consolidated Group SCR	**R0610**	**2,299,074**				

Appendix 1 – Quantitative Reporting Templates (31 December 2024) – PGH Group continued

Appendix 1.5 – IR.23.01.04 Own Funds Group continued

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Ratio of Eligible own funds to the consolidated Group SCR (excluding other financial sectors and the undertakings included via D&A)	**R0630**	**148%**				
Ratio of Eligible own funds to Minimum Consolidated Group SCR	**R0650**	**326%**				
Total eligible own funds to meet the group SCR (including own funds from other financial sector and from the undertakings included via D&A)	**R0660**	**10,365,121**	**6,163,468**	**1,097,152**	**2,446,868**	**657,633**
SCR for entities included with D&A method	**R0670**	**-**				
Group SCR	**R0680**	**6,850,139**				
Ratio of Eligible own funds to group SCR including other financial sectors and the undertakings included via D&A	**R0690**	**151%**				

IR.23.01.04.02

Reconciliation reserve

		C0060
Reconciliation reserve		
Excess of assets over liabilities	R0700	10,375,838
Own shares (held directly and indirectly)	R0710	17,956
Foreseeable dividends, distributions and charges	R0720	277,852
Deductions for participations in financial and credit institutions	R0725	225,061
Other basic own fund items	R0730	5,516,651
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	R0740	2,519,360
Other non available own funds	R0750	477,475
Reconciliation reserve	**R0760**	**1,341,483**

Appendix and additional information continued

Appendix 1 – Quantitative Reporting Templates (31 December 2024) – PGH Group continued

Appendix 1.6 – IR.25.04.22 Solvency Capital Requirement

		C0010
Net of loss-absorbing capacity of technical provisions		
Market risk	**R0140**	**4,408,520**
Interest rate risk	R0070	985,432
Equity risk	R0080	1,285,305
Property risk	R0090	746,242
Spread risk	R0100	2,971,091
Concentration risk	R0110	42,240
Currency risk	R0120	729,968
Other market risk	R0125	636,484
Diversification within market risk	R0130	(2,988,242)
Counterparty default risk	**R0180**	**387,745**
Type 1 exposures	R0150	261,755
Type 2 exposures	R0160	127,068
Other counterparty risk	R0165	-
Diversification within counterparty default risk	R0170	(1,078)
Life underwriting risk	**R0270**	**3,837,636**
Mortality risk	R0190	431,929
Longevity risk	R0200	1,589,357
Disability-Morbidity risk	R0210	67,699
Life-expense risk	R0220	1,296,037
Revision risk	R0230	-
Lapse risk	R0240	2,591,666
Life catastrophe risk	R0250	11,351
Other life underwriting risk	R0255	-
Diversification within life underwriting risk	R0260	(2,150,403)
Health underwriting risk	**R0320**	**8,235**
Health SLT risk	R0280	8,528
Health non SLT risk	R0290	-
Health catastrophe risk	R0300	-
Other health underwriting risk	R0305	-
Diversification within health underwriting risk	R0310	(293)
Non-life underwriting risk	**R0370**	**-**
Non-life premium and reserve risk	R0330	-
Non-life catastrophe risk	R0340	-
Lapse risk	R0350	-
Other non-life underwriting risk	R0355	-
Diversification within non-life underwriting risk	R0360	-
Intangible asset risk	**R0400**	**-**
Operational and other risks	**R0430**	**1,251,604**
Operational risk	R0422	1,137,730
Other risks	R0424	113,874
Total before all diversification	**R0432**	**15,033,756**
Total before diversification between risk modules	**R0434**	**9,893,740**
Diversification between risk modules	R0436	(2,480,610)
Total after diversification	**R0438**	**7,413,130**
Loss-absorbing capacity of technical provisions	R0440	(1,419)
Loss-absorbing capacity of deferred taxes	R0450	(1,108,763)
Other adjustments	R0455	538,193
Solvency capital requirement including undisclosed capital add-on	**R0460**	**6,841,141**
Disclosed capital add-on - excluding residual model limitation	R0472	-
Disclosed capital add-on - residual model limitation	R0474	-

Appendix 1.6 – IR.25.04.22 Solvency Capital Requirement continued

Solvency capital requirement including capital add-on	**R0480**	**6,841,141**
Biting interest rate scenario	R0490	Increase
Biting life lapse scenario	R0495	Increase

Information on other entities		
Capital requirement for other financial sectors (Non-insurance capital requirements)	R0500	8,888
Capital requirement for other financial sectors (Non-insurance capital requirements) - Credit institutions, investment firms and financial institutions, alternative investment funds managers, UCITS management companies	R0510	8,888
Capital requirement for other financial sectors (Non-insurance capital requirements) - Institutions for occupational retirement provisions	R0520	-
Capital requirement for other financial sectors (Non-insurance capital requirements) - Capital requirement for non- regulated entities carrying out financial activities	R0530	-
Capital requirement for non-controlled participation requirements	R0540	-
Capital requirement for residual undertakings	R0550	110

Overall SCR		
Solvency capital requirement (consolidation method)	R0555	6,850,139
SCR for undertakings included via D and A	R0560	-
SCR for sub-groups included via D and A	R0565	-
Solvency capital requirement	**R0570**	**6,850,139**

Appendix and additional information continued

Appendix 1 – Quantitative Reporting Templates (31 December 2024) – PGH Group continued

Appendix 1.7 – IR.32.01.22 Undertakings in the scope of the group

							Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
Identification code and type of code of the undertaking	Country	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Yes/No	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking
C0020	C0010	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
SC/BQYCTFWOEM1JRDE6F109GB10000	GB	103 Wardour Street Retail Investment Company Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
SC/923M5RA2I1X3IO5NGM14GB10023	GB	3 St Andrew Square Apartments Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/549300RDK6X3LSLXYT37	LU	AB SICAV I - Diversified Yield Plus Portfolio	99 - Other	Société d'Investissement À Capital Variable (SICAV)	2 - Non-mutual		43.09%	43.09%	43.09%		2 - Significant	43.09%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/549300R2J2UEWCG1NY49	LU	AB SICAV I - Sustainable All Market Portfolio	99 - Other	Société d'Investissement À Capital Variable (SICAV)	2 - Non-mutual		25.05%	25.05%	25.05%		2 - Significant	25.05%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/5493005FMXD1DF7H5U38	GB	Abbey Life Assurance Company Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/2138006AVN3BGVP6FN70	GB	Abbey Life Trust Securities Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800QSPR2LRLU34T67	GB	Abbey Life Trustee Services Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/549300SHV3HHVK5G9F12	GB	abrdn (Lothian) International Trust	99 - Other	Authorised unit trust	2 - Non-mutual		99.99%	100.00%	99.99%		1 - Dominant	99.99%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/549300HH5KCHFB2PI064	GB	abrdn (Lothian) Japan Trust	99 - Other	Authorised unit trust	2 - Non-mutual		99.41%	100.00%	99.41%		1 - Dominant	99.41%	1 - Included in the scope		3 - Method 1: Adjusted equity method

Appendix and additional information continued

Appendix 1 – Quantitative Reporting Templates (31 December 2024) – PGH Group continued

Appendix 1.7 – IR.32.01.22 Undertakings in the scope of the group continued

							Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
Identification code and type of code of the undertaking	Country	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Yes/No	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking
C0020	C0010	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
LEI/549300NXR0AHS2OB8865	GB	abrdn (Lothian) North American Trust	99 - Other	Authorised unit trust	2 - Non-mutual		98.33%	100.00%	98.33%		1 - Dominant	98.33%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/5493007AVUY3HNQMVP73	GB	abrdn (Lothian) Pacific Basin Trust	99 - Other	Authorised unit trust	2 - Non-mutual		98.28%	100.00%	98.28%		1 - Dominant	98.28%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/549300R55XQGRNOY5804	GB	abrdn (Lothian) UK Equity General Trust	99 - Other	Authorised unit trust	2 - Non-mutual		99.70%	100.00%	99.70%		1 - Dominant	99.70%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/549300MJT9ZDQRPVGI94	GB	abrdn American Equity Enhanced Index Fund	99 - Other	Open ended investment company	2 - Non-mutual		33.83%	33.83%	33.83%		2 - Significant	33.83%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/2138001CRLFYPX3MPI30	GB	abrdn American Equity Fund	99 - Other	Open ended investment company	2 - Non-mutual		56.43%	56.43%	56.43%		2 - Significant	56.43%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/5493006QCTJXHTFJ3644	GB	abrdn Asia Pacific Equity Enhanced Index Fund	99 - Other	Open ended investment company	2 - Non-mutual		32.83%	32.83%	32.83%		2 - Significant	32.83%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/549300QBUDBMEWMHE886	GB	abrdn Asia Pacific Equity Fund	99 - Other	Open ended investment company	2 - Non-mutual		23.80%	23.80%	23.80%		2 - Significant	23.80%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/54930000QS4A1CF6L143	GB	abrdn Dynamic Distribution Fund	99 - Other	Authorised unit trust	2 - Non-mutual		64.83%	64.83%	64.83%		2 - Significant	64.83%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/549300FOFZB42GW3KA59	GB	abrdn Emerging Markets Equity Enhanced Index Fund	99 - Other	Open ended investment company	2 - Non-mutual		23.07%	23.07%	23.07%		2 - Significant	23.07%	1 - Included in the scope		3 - Method 1: Adjusted equity method

Appendix and additional information continued

Appendix 1 – Quantitative Reporting Templates (31 December 2024) – PGH Group continued

Appendix 1.7 – IR.32.01.22 Undertakings in the scope of the group continued

							Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
Identification code and type of code of the undertaking	Country	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Yes/No	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking
C0020	C0010	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
LEI/549300CXJKWFFQ52U744	GB	abrdn Emerging Markets Equity Fund	99 - Other	Open ended investment company	2 - Non-mutual		23.56%	23.56%	23.56%		2 - Significant	23.56%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800758ES2BEI27422	GB	abrdn Emerging Markets Equity Tracker Fund	99 - Other	Open ended investment company	2 - Non-mutual		23.32%	23.32%	23.32%		2 - Significant	23.32%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/549300IL7BS03RLOFU72	GB	abrdn Emerging Markets Income Equity Fund	99 - Other	Open ended investment company	2 - Non-mutual		75.56%	100.00%	75.56%		1 - Dominant	75.56%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/549300K8H8PF81I79V14	GB	abrdn Ethical Corporate Bond Fund	99 - Other	Open ended investment company	2 - Non-mutual		61.90%	61.90%	61.90%		2 - Significant	61.90%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/549300IWV8M5QGQKPS32	GB	abrdn Europe ex UK Equity Fund	99 - Other	Open ended investment company	2 - Non-mutual		20.76%	20.76%	20.76%		2 - Significant	20.76%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/549300BRIS40GV4JCP40	GB	abrdn Europe Ex UK Ethical Equity Fund	99 - Other	Open ended investment company	2 - Non-mutual		80.35%	100.00%	80.35%		1 - Dominant	80.35%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/549300SWQMOBJ71D8V30	GB	abrdn Europe Ex UK Income Equity Fund	99 - Other	Open ended investment company	2 - Non-mutual		35.41%	35.41%	35.41%		2 - Significant	35.41%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/549300D6SMCZPGAS4K78	GB	abrdn European Equity Enhanced Index Fund	99 - Other	Open ended investment company	2 - Non-mutual		22.40%	22.40%	22.40%		2 - Significant	22.40%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800RDSFQJ1WCH5U85	GB	abrdn European Equity Tracker Fund	99 - Other	Open ended investment company	2 - Non-mutual		20.89%	20.89%	20.89%		2 - Significant	20.89%	1 - Included in the scope		3 - Method 1: Adjusted equity method

Appendix and additional information continued

Appendix 1 – Quantitative Reporting Templates (31 December 2024) – PGH Group continued

Appendix 1.7 – IR.32.01.22 Undertakings in the scope of the group continued

							Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
Identification code and type of code of the undertaking	Country	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Yes/No	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking
C0020	C0010	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
LEI/549300AV7SLX8ONNEB07	GB	abrdn Global Government Bond Tracker Fund	99 - Other	Open ended investment company	2 - Non-mutual		23.25%	23.25%	23.25%		2 - Significant	23.25%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/549300JNPM6F1DOWD990	GB	abrdn Global Inflation-Linked Bond Fund	99 - Other	Open ended investment company	2 - Non-mutual		23.85%	23.85%	23.85%		2 - Significant	23.85%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800AOQTY738Q2P112	GB	abrdn Global Inflation-Linked Bond Tracker Fund	99 - Other	Open ended investment company	2 - Non-mutual		59.63%	59.63%	59.63%		2 - Significant	59.63%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/5493001A7GT1PUX3EG61	GB	abrdn Global Infrastructure Equity Fund	99 - Other	Open ended investment company	2 - Non-mutual		54.78%	54.78%	54.78%		2 - Significant	54.78%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/549300NR5XU4V9M57E06	GB	abrdn Global Real Estate Fund	99 - Other	Authorised unit trust	2 - Non-mutual		36.80%	36.80%	36.80%		2 - Significant	36.80%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/549300R08EHVC5JJP961	GB	abrdn Global Smaller Companies Fund	99 - Other	Open ended investment company	2 - Non-mutual		26.33%	26.33%	26.33%		2 - Significant	26.33%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/549300QJVJLKGCZT1126	GB	abrdn High Yield Bond Fund	99 - Other	Open ended investment company	2 - Non-mutual		20.63%	20.63%	20.63%		2 - Significant	20.63%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/549300OSE3GHOLT1EH74	GB	abrdn Japan Equity Enhanced Index Fund	99 - Other	Open ended investment company	2 - Non-mutual		46.04%	46.04%	46.04%		2 - Significant	46.04%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/549300JQ4E2V16CGLN33	GB	abrdn Japanese Equity Fund	99 - Other	Open ended investment company	2 - Non-mutual		51.83%	51.83%	51.83%		2 - Significant	51.83%	1 - Included in the scope		3 - Method 1: Adjusted equity method

Appendix and additional information continued

Appendix 1 – Quantitative Reporting Templates (31 December 2024) – PGH Group continued

Appendix 1.7 – IR.32.01.22 Undertakings in the scope of the group continued

							Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
Identification code and type of code of the undertaking	Country	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Yes/No	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking
C0020	C0010	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
LEI/549300H7ELL1ZCTXVS23	LU	abrdn Liquidity Fund (Lux) - Euro Fund	99 - Other	Undertakings for Collective Investments in Transferable Securities	2 - Non-mutual		32.68%	32.68%	32.68%		2 - Significant	32.68%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/5493001D9Z9K60I20F92	GB	abrdn MT American Equity Unconstrained Fund	99 - Other	Authorised unit trust	2 - Non-mutual		72.75%	100.00%	72.75%		1 - Dominant	72.75%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800XNFM8J47REYL45	GB	abrdn MyFolio Managed I Fund	99 - Other	Open ended investment company	2 - Non-mutual		78.33%	100.00%	78.33%		1 - Dominant	78.33%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800JVMZC7GM5CYO35	GB	abrdn MyFolio Managed II Fund	99 - Other	Open ended investment company	2 - Non-mutual		79.02%	100.00%	79.02%		1 - Dominant	79.02%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/2138005CQLTFA4T8LN82	GB	abrdn MyFolio Managed III Fund	99 - Other	Open ended investment company	2 - Non-mutual		86.29%	100.00%	86.29%		1 - Dominant	86.29%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800PYGZT1KZZ9UT72	GB	abrdn MyFolio Managed IV Fund	99 - Other	Open ended investment company	2 - Non-mutual		69.51%	69.51%	69.51%		2 - Significant	69.51%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800DT88TRXWXFW531	GB	abrdn MyFolio Managed V Fund	99 - Other	Open ended investment company	2 - Non-mutual		79.31%	100.00%	79.31%		1 - Dominant	79.31%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800EQHAIYMJPLIZ18	GB	abrdn MyFolio Market I Fund	99 - Other	Open ended investment company	2 - Non-mutual		44.42%	44.42%	44.42%		2 - Significant	44.42%	1 - Included in the scope		3 - Method 1: Adjusted equity method

Appendix 1 – Quantitative Reporting Templates (31 December 2024) – PGH Group continued

Appendix 1.7 – IR.32.01.22 Undertakings in the scope of the group continued

							Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
Identification code and type of code of the undertaking	Country	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Yes/No	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking
C0020	C0010	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
LEI/213800IFS6A5AOLOUS24	GB	abrdn MyFolio Market II Fund	99 - Other	Open ended investment company	2 - Non-mutual		51.94%	51.94%	51.94%		2 - Significant	51.94%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800WD5VNT5CS9QF27	GB	abrdn MyFolio Market III Fund	99 - Other	Open ended investment company	2 - Non-mutual		58.67%	58.67%	58.67%		2 - Significant	58.67%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/2138007A8RMRT2RC2E67	GB	abrdn MyFolio Market IV Fund	99 - Other	Open ended investment company	2 - Non-mutual		55.52%	55.52%	55.52%		2 - Significant	55.52%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800TGMTB8IDAYKD45	GB	abrdn MyFolio Market V Fund	99 - Other	Open ended investment company	2 - Non-mutual		60.51%	60.51%	60.51%		2 - Significant	60.51%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800EEJVVK31YR6A19	GB	abrdn MyFolio Multi-Manager II Fund	99 - Other	Open ended investment company	2 - Non-mutual		47.27%	47.27%	47.27%		2 - Significant	47.27%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800731SH2AZ2LNR22	GB	abrdn MyFolio Multi-Manager III Fund	99 - Other	Open ended investment company	2 - Non-mutual		60.89%	60.89%	60.89%		2 - Significant	60.89%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800I2TZGOMPYGRH19	GB	abrdn MyFolio Multi-Manager IV Fund	99 - Other	Open ended investment company	2 - Non-mutual		60.88%	60.88%	60.88%		2 - Significant	60.88%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800QWLPXCX6JPNJ46	GB	abrdn MyFolio Multi-Manager V Fund	99 - Other	Open ended investment company	2 - Non-mutual		40.13%	40.13%	40.13%		2 - Significant	40.13%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/549300BUA0TYZW27B545	GB	abrdn North American Small & Mid-Cap Equity Fund	99 - Other	Open ended investment company	2 - Non-mutual		29.50%	29.50%	29.50%		2 - Significant	29.50%	1 - Included in the scope		3 - Method 1: Adjusted equity method

Appendix 1 – Quantitative Reporting Templates (31 December 2024) – PGH Group continued

Appendix 1.7 – IR.32.01.22 Undertakings in the scope of the group continued

Identification code and type of code of the undertaking	Country	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority	Criteria of influence: % capital share	Criteria of influence: % used for the establishment of consolidated accounts	Criteria of influence: % voting rights	Criteria of influence: Other criteria	Criteria of influence: Level of influence	Criteria of influence: Proportional share used for group solvency calculation	Inclusion in the scope of Group supervision: Yes/No	Inclusion in the scope of Group supervision: Date of decision if art. 214 is applied	Group solvency calculation: Method used and under method 1, treatment of the undertaking
C0020	C0010	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
LEI/5493007U26RX6I54SA36	LU	abrdn Phoenix Fund Financing SCSP	99 - Other	Limited Partnership	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/5493000EGJ32E4VRCD68	GB	abrdn Short Dated Corporate Bond Fund	99 - Other	Open ended investment company	2 - Non-mutual		43.90%	43.90%	43.90%		2 - Significant	43.90%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800F2H4W5QY1I1V90	GB	abrdn Short Dated Global Corporate Bond Tracker Fund	99 - Other	Open ended investment company	2 - Non-mutual		95.61%	100.00%	95.61%		1 - Dominant	95.61%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800TX3JRNPWMTWP37	GB	abrdn Short Dated Sterling Corporate Bond Tracker Fund	99 - Other	Open ended investment company	2 - Non-mutual		84.86%	100.00%	84.86%		1 - Dominant	84.86%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/549300P9GBRPESQMRN82	GB	abrdn Short Duration Global Inflation-Linked Bond Fund	99 - Other	Open ended investment company	2 - Non-mutual		26.37%	26.37%	26.37%		2 - Significant	26.37%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/549300XT276EOJ765R93	LU	abrdn SICAV I - Diversified Income Fund	99 - Other	Société d'Investissement À Capital Variable (SICAV)	2 - Non-mutual		32.42%	32.42%	32.42%		2 - Significant	32.42%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/54930038MS858LAR8B49	LU	abrdn SICAV I - Emerging Markets Low Volatility Equity Portfolio	99 - Other	Société d'Investissement À Capital Variable (SICAV)	2 - Non-mutual		87.10%	87.10%	87.10%		2 - Significant	87.10%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/549300D74Z5SB5ZIUN31	LU	abrdn SICAV I - Europe Ex UK Sustainable Equity Fund	99 - Other	Société d'Investissement À Capital Variable (SICAV)	2 - Non-mutual		67.44%	67.44%	67.44%		2 - Significant	67.44%	1 - Included in the scope		3 - Method 1: Adjusted equity method

Appendix and additional information continued
Appendix 1 – Quantitative Reporting Templates (31 December 2024) – PGH Group continued
Appendix 1.7 – IR.32.01.22 Undertakings in the scope of the group continued

							Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
Identification code and type of code of the undertaking	Country	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Yes/No	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking
C0020	C0010	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
LEI/5493001KTUF1YFKJDM10	LU	abrdn SICAV I - GDP Weighted Global Government Bond Fund	99 - Other	Société d'Investissement À Capital Variable (SICAV)	2 - Non-mutual		73.72%	73.72%	73.72%		2 - Significant	73.72%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/549300QBEMZEKRKZQI47	LU	abrdn SICAV I - Global Bond Fund	99 - Other	Société d'Investissement À Capital Variable (SICAV)	2 - Non-mutual		99.87%	99.87%	99.87%		2 - Significant	99.87%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800WIYPEVSD685504	LU	abrdn SICAV I - Global Corporate Sustainable Bond Fund	99 - Other	Société d'Investissement À Capital Variable (SICAV)	2 - Non-mutual		42.02%	42.02%	42.02%		2 - Significant	42.02%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/5493006DHM3I4TSPKB92	LU	abrdn SICAV I - Global Government Bond Fund	99 - Other	Société d'Investissement À Capital Variable (SICAV)	2 - Non-mutual		76.64%	76.64%	76.64%		2 - Significant	76.64%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/5493007G0SOE2SJAK375	LU	abrdn SICAV I - Japanese Sustainable Equity Fund	99 - Other	Société d'Investissement À Capital Variable (SICAV)	2 - Non-mutual		26.29%	26.29%	26.29%		2 - Significant	26.29%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/549300ZTQFMLH5BQO667	LU	abrdn SICAV I - North American Smaller Companies Fund	99 - Other	Société d'Investissement À Capital Variable (SICAV)	2 - Non-mutual		23.45%	23.45%	23.45%		2 - Significant	23.45%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800IP5B4G9OSMS490	LU	abrdn SICAV I - Short Dated Enhanced Income Fund	99 - Other	Société d'Investissement À Capital Variable (SICAV)	2 - Non-mutual		24.66%	24.66%	24.66%		2 - Significant	24.66%	1 - Included in the scope		3 - Method 1: Adjusted equity method

Appendix 1 – Quantitative Reporting Templates (31 December 2024) – PGH Group continued

Appendix 1.7 – IR.32.01.22 Undertakings in the scope of the group continued

							Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
Identification code and type of code of the undertaking	Country	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Yes/No	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking
C0020	C0010	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
LEI/213800A5KTINR38TJX25	LU	abrdn SICAV II - Global Equity Impact Fund	99 - Other	Société d'Investissement À Capital Variable (SICAV)	2 - Non-mutual		71.00%	71.00%	71.00%		2 - Significant	71.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/OZNMNV475NEPJ5ONU690	LU	abrdn SICAV II - Global Inflation-linked Government Bond Fund	99 - Other	Société d'Investissement À Capital Variable (SICAV)	2 - Non-mutual		62.52%	62.52%	62.52%		2 - Significant	62.52%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/5493000F2BMH2ZF0S853	LU	abrdn SICAV II - Global Short Duration Corporate Bond Fund	99 - Other	Société d'Investissement À Capital Variable (SICAV)	2 - Non-mutual		83.23%	83.23%	83.23%		2 - Significant	83.23%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/ZBFDG70US1SSJG9Z0Y21	LU	abrdn SICAV II Absolute Return Global Bond Strategies Fund	99 - Other	Société d'Investissement À Capital Variable (SICAV)	2 - Non-mutual		92.89%	92.89%	92.89%		2 - Significant	92.89%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/549300M4GPJKY6QZ5W83	LU	abrdn SICAV II Emerging Market Local Currency Debt Fund	99 - Other	Société d'Investissement À Capital Variable (SICAV)	2 - Non-mutual		73.27%	73.27%	73.27%		2 - Significant	73.27%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/0C8VPGENNA8PSKOIU246	LU	abrdn SICAV II European Corporate Bond Fund	99 - Other	Société d'Investissement À Capital Variable (SICAV)	2 - Non-mutual		28.99%	28.99%	28.99%		2 - Significant	28.99%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/IKNRVTZFJMXVU04INT73	LU	abrdn SICAV II European Smaller Companies Fund	99 - Other	Société d'Investissement À Capital Variable (SICAV)	2 - Non-mutual		25.67%	25.67%	25.67%		2 - Significant	25.67%	1 - Included in the scope		3 - Method 1: Adjusted equity method

Appendix 1 – Quantitative Reporting Templates (31 December 2024) – PGH Group continued

Appendix 1.7 – IR.32.01.22 Undertakings in the scope of the group continued

							Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
Identification code and type of code of the undertaking	Country	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Yes/No	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking
C0020	C0010	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
LEI/JXZR3W3VMU9TZ227V008	LU	abrdn SICAV II Global Corporate Bond Fund	99 - Other	Société d'Investissement À Capital Variable (SICAV)	2 - Non-mutual		56.04%	56.04%	56.04%		2 - Significant	56.04%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/U9X3FTNHCUP4L0WKGX71	LU	abrdn SICAV II Global High Yield Bond Fund	99 - Other	Société d'Investissement À Capital Variable (SICAV)	2 - Non-mutual		56.34%	56.34%	56.34%		2 - Significant	56.34%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/JCSNRTX2P3VQCSCY9U38	LU	abrdn SICAV II Global Real Estate Securities Sustainable Fund	99 - Other	Société d'Investissement À Capital Variable (SICAV)	2 - Non-mutual		87.01%	87.01%	87.01%		2 - Significant	87.01%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800X8GV8N34MCK147	LU	abrdn Standard Liquidity Fund (Lux) - Seabury Euro Liquidity 1 Fund	99 - Other	Undertakings for Collective Investments in Transferable Securities	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/2138007I927Y5RE7JQ45	LU	abrdn Standard Liquidity Fund (Lux) - Seabury Sterling Liquidity 2 Fund	99 - Other	Undertakings for Collective Investments in Transferable Securities	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800PGI2RPZ3BRFY09	LU	abrdn Standard Liquidity Fund (Lux) - Seabury Sterling Liquidity 3 Fund	99 - Other	Undertakings for Collective Investments in Transferable Securities	2 - Non-mutual		86.85%	100.00%	86.85%		1 - Dominant	86.85%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/549300HBG59GBCBNNR42	LU	abrdn Standard Liquidity Fund (Lux) Sterling Fund	99 - Other	Undertakings for Collective Investments in Transferable Securities	2 - Non-mutual		24.60%	24.60%	24.60%		2 - Significant	24.60%	1 - Included in the scope		3 - Method 1: Adjusted equity method

Appendix 1 – Quantitative Reporting Templates (31 December 2024) – PGH Group continued

Appendix 1.7 – IR.32.01.22 Undertakings in the scope of the group continued

							Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
Identification code and type of code of the undertaking	Country	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Yes/No	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking
C0020	C0010	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
LEI/549300NWSVV4LHMGPH25	LU	abrdn Standard SICAV I - China Onshore Bond Fund	99 - Other	Société d'Investissement À Capital Variable (SICAV)	2 - Non-mutual		78.87%	78.87%	78.87%		2 - Significant	78.87%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/5493002044GBSUYXHY38	GB	abrdn Sterling Corporate Bond Fund	99 - Other	Open ended investment company	2 - Non-mutual		46.31%	46.31%	46.31%		2 - Significant	46.31%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/5493007BPMLZS6UTIK63	GB	abrdn Strategic Bond Fund	99 - Other	Open ended investment company	2 - Non-mutual		67.00%	67.00%	67.00%		2 - Significant	67.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800SZF988RLNT5W22	GB	abrdn Sustainable Index American Equity Fund	99 - Other	Open ended investment company	2 - Non-mutual		59.05%	100.00%	59.05%		1 - Dominant	59.05%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800C37UC91PS7F385	GB	abrdn Sustainable Index World Equity Fund	99 - Other	Authorised unit trust	2 - Non-mutual		72.57%	100.00%	72.57%		1 - Dominant	72.57%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/549300EEIUZN4W9PZ404	GB	abrdn UK Equity Enhanced Index Fund	99 - Other	Open ended investment company	2 - Non-mutual		29.23%	29.23%	29.23%		2 - Significant	29.23%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/549300DQLGGU0I3XV651	GB	abrdn UK Income Equity Fund	99 - Other	Open ended investment company	2 - Non-mutual		36.05%	36.05%	36.05%		2 - Significant	36.05%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/549300WUYJGEDDD4D060	GB	abrdn UK Mid-Cap Equity Fund	99 - Other	Open ended investment company	2 - Non-mutual		34.50%	34.50%	34.50%		2 - Significant	34.50%	1 - Included in the scope		3 - Method 1: Adjusted equity method

Appendix 1 – Quantitative Reporting Templates (31 December 2024) – PGH Group continued

Appendix 1.7 – IR.32.01.22 Undertakings in the scope of the group continued

							Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
Identification code and type of code of the undertaking	Country	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Yes/No	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking
C0020	C0010	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
LEI/213800CIR2UE599MVG13	GB	abrdn UK Real Estate Feeder Fund	99 - Other	Authorised unit trust	2 - Non-mutual		72.12%	100.00%	72.12%		1 - Dominant	72.12%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800CA73DJ24XZ4O94	GB	abrdn UK Real Estate Fund	99 - Other	Authorised unit trust	2 - Non-mutual		89.91%	100.00%	89.91%		1 - Dominant	89.91%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/549300KYBU0ETB5ZMM34	GB	abrdn UK Smaller Companies Fund	99 - Other	Open ended investment company	2 - Non-mutual		32.02%	32.02%	32.02%		2 - Significant	32.02%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/549300QTWUY8C2TQBM83	GB	abrdn UK Sustainable and Responsible Investment Equity Fund	99 - Other	Open ended investment company	2 - Non-mutual		40.68%	40.68%	40.68%		2 - Significant	40.68%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/5493002GMCQF3QS0II56	GB	abrdn UK Value Equity Fund	99 - Other	Open ended investment company	2 - Non-mutual		45.83%	45.83%	45.83%		2 - Significant	45.83%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/5493001FUFQ7P3TWGM31	GB	ACS World Multifactor Equity Tracker Fund	99 - Other	Open ended investment company	2 - Non-mutual		23.56%	23.56%	23.56%		2 - Significant	23.56%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800GRORRHUWA5C435	GB	Alba LAS Pensions Management Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/21380035Z7JKF61E6Y61	GB	Alba Life Trustees Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method

Appendix and additional information continued

Appendix 1 – Quantitative Reporting Templates (31 December 2024) – PGH Group continued

Appendix 1.7 – IR.32.01.22 Undertakings in the scope of the group continued

							Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
Identification code and type of code of the undertaking	Country	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Yes/No	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking
C0020	C0010	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
LEI/222100AVKM1M7Q2EFT37	LU	Amundi Index Solutions - Amundi Global Corp SRI 1-5Y	99 - Other	Société d'Investissement À Capital Variable (SICAV)	2 - Non-mutual		32.53%	32.53%	32.53%		2 - Significant	32.53%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800YL23YUT5FBRB63	LU	Amundi Index Solutions - Amundi MSCI China ESG Leaders Select	99 - Other	Société d'Investissement À Capital Variable (SICAV)	2 - Non-mutual		63.46%	100.00%	63.46%		1 - Dominant	63.46%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800J6GAIQJ1OPP251	LU	Amundi Index Solutions - Amundi MSCI Emerging Ex China ESG Leaders Select	99 - Other	Société d'Investissement À Capital Variable (SICAV)	2 - Non-mutual		43.96%	43.96%	43.96%		2 - Significant	43.96%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/549300YXILW3O14Y0587	LU	Amundi UCITS Funds - Amundi Global Multi-Factor Equity Fund	99 - Other	Undertakings for Collective Investments in Transferable Securities	2 - Non-mutual		72.37%	72.37%	72.37%		2 - Significant	72.37%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/549300SPD93QZJ361803	LU	AQR Global Risk Premium UCITS Fund	99 - Other	Undertakings for Collective Investments in Transferable Securities	2 - Non-mutual		100.00%	100.00%	100.00%		2 - Significant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800O3L6KIDMHO2V40	GB	Patria Phoenix Global Private Equity III LP	99 - Other	Limited Partnership	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/2138007PAJOGN2JKWC75	US	Axial Fundamental Strategies (US Investments) LLC	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/2138005ZEJNYUIFBET73	GB	BA (FURBS) Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method

Appendix 1.7 – IR.32.01.22 Undertakings in the scope of the group continued

							Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
Identification code and type of code of the undertaking	Country	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Yes/No	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking
C0020	C0010	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
LEI/213800MVB3W3ROXJTQ58	GB	Baillie Gifford Emerging Markets Leading Companies Fund	99 - Other	Open ended investment company	2 - Non-mutual		32.50%	32.50%	32.50%		2 - Significant	32.50%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800RI6LYY15UVPA79	GB	Baillie Gifford Investment Funds II ICVC - Baillie Gifford UK Equity Core Fund	99 - Other	Open ended investment company	2 - Non-mutual		42.73%	42.73%	42.73%		2 - Significant	42.73%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800JF6YTLVQMJSM58	GB	Baillie Gifford UK & Balanced Funds ICVC - Baillie Gifford UK and Worldwide Equity Fund	99 - Other	Open ended investment company	2 - Non-mutual		30.23%	30.23%	30.23%		2 - Significant	30.23%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/5493002PYX2DGGGHMM78	IE	Barings Emerging Markets Debt Short Duration Fund	99 - Other	Open ended investment company	2 - Non-mutual		28.41%	28.41%	28.41%		2 - Significant	28.41%	1 - Included in the scope		3 - Method 1: Adjusted equity method
SC/600319	GB	Barnwood Properties Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800JSKEG8KHZF9G80	GB	BL Telford Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/54930092QHGOYL8KKD02	GB	BlackRock Cash Fund	99 - Other	Authorised unit trust	2 - Non-mutual		23.86%	23.86%	23.86%		2 - Significant	23.86%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/549300GIUUQLJYFN4I12	LU	BlackRock Global Funds - Sustainable World Bond Fund	99 - Other	Société d'Investissement À Capital Variable (SICAV)	2 - Non-mutual		25.48%	25.48%	25.48%		2 - Significant	25.48%	1 - Included in the scope		3 - Method 1: Adjusted equity method

Appendix and additional information continued

Appendix 1 – Quantitative Reporting Templates (31 December 2024) – PGH Group continued

Appendix 1.7 – IR.32.01.22 Undertakings in the scope of the group continued

							Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
Identification code and type of code of the undertaking	Country	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Yes/No	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking
C0020	C0010	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
LEI/549300MQT7YRWQ7R2C91	GB	BlackRock Market Advantage Fund	99 - Other	Undertakings for Collective Investments in Transferable Securities	2 - Non-mutual		51.40%	51.40%	51.40%		2 - Significant	51.40%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/5493007FCJNP5WU2MT18	GB	BlackRock UK Absolute Alpha Fund	99 - Other	Authorised unit trust	2 - Non-mutual		20.18%	20.18%	20.18%		2 - Significant	20.18%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/2138007XFQBZSC5L5I41	GB	BNY Mellon Global Equity Fund	99 - Other	Open ended investment company	2 - Non-mutual		28.90%	28.90%	28.90%		2 - Significant	28.90%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800RW62RT6X1VD858	GB	BNY Mellon Multi-Asset Global Balanced Fund	99 - Other	Undertakings for Collective Investments in Transferable Securities	2 - Non-mutual		37.37%	37.37%	37.37%		2 - Significant	37.37%	1 - Included in the scope		3 - Method 1: Adjusted equity method
SC/923M5RA2I1X3IO5NGM14GB00080	GB	Brent Cross Partnership	99 - Other	Limited Partnership	2 - Non-mutual		23.83%	23.83%	23.83%		2 - Significant	23.83%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800S88OB7OOLWB337	GB	Britannic Finance Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800J8J5RG7CXMLT47	GB	Britannic Group Services Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800OCFONM4ZNJBB35	GB	Britannic Money Investment Services Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800C2PGN9I9C33L82	GB	Century Trustee Services Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method

Appendix and additional information continued

Appendix 1 – Quantitative Reporting Templates (31 December 2024) – PGH Group continued

Appendix 1.7 – IR.32.01.22 Undertakings in the scope of the group continued

							Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
Identification code and type of code of the undertaking	Country	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Yes/No	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking
C0020	C0010	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
SC/923M5RA2I1X3IO5NGM14GB10027	GB	CGE Management Company Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800VUT844OO5BG366	US	CH Management Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800F4I4AWU6NBME19	GB	Cityfourinc	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/5493004S4OGUNITLEY46	GB	ERIP General Partner Limited	99 - Other	Company limited by shares	2 - Non-mutual		80.00%	100.00%	80.00%		1 - Dominant	80.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800RKSNN1SLFPXO64	GB	ERIP Limited Partnership	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
SC/SL004690	GB	ESP II General Partner Limited Partnership	99 - Other	Limited Partnership	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
SC/923M5RA2I1X3IO5NGM14GB00081	GB	European Strategic Partners LP	99 - Other	Limited Partnership	2 - Non-mutual		72.70%	100.00%	72.70%		1 - Dominant	72.70%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/549300JLW6FB8OMS0W41	GB	Fidelity Multi Asset Open Adventurous Fund	99 - Other	Open ended investment company	2 - Non-mutual		40.78%	40.78%	40.78%		2 - Significant	40.78%	1 - Included in the scope		3 - Method 1: Adjusted equity method
SC/15659249	GB	Future Growth Capital (Holdings) Limited	99 - Other	Company limited by shares	2 - Non-mutual		49.90%	49.90%	49.90%		2 - Significant	49.90%	1 - Included in the scope		3 - Method 1: Adjusted equity method

Appendix 1 – Quantitative Reporting Templates (31 December 2024) – PGH Group continued

Appendix 1.7 – IR.32.01.22 Undertakings in the scope of the group continued

							Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
Identification code and type of code of the undertaking	Country	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Yes/No	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking
C0020	C0010	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
SC/15666257	GB	Future Growth Capital Limited	99 - Other	Company limited by shares	2 - Non-mutual		49.90%	49.90%	49.90%		2 - Significant	49.90%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800L9MD2TYUF2M658	GB	G Assurance & Pensions Services Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800288SWHO9SYPM36	GB	G Financial Services Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800LU36TP1TUUMI19	GB	G Life H Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/2138003URY7NYBK77767	GB	G Trustees Ltd	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
SC/923M5RA2I1X3IO5NGM14GB10017	GB	Gallions Reach Shopping Park (Nominee) Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
SC/923M5RA2I1X3IO5NGM14GB00082	GB	Gallions Reach Shopping Park Limited Partnership	99 - Other	Authorised unit trust	2 - Non-mutual		100.00%	100.00%	100.00%		2 - Significant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
SC/923M5RA2I1X3IO5NGM14JE10016	JE	Gallions Reach Shopping Park Unit Trust	99 - Other	Authorised unit trust	2 - Non-mutual		100.00%	100.00%	100.00%		2 - Significant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/549300VH5ELIKINLO832	NL	Goldman Sachs SICAV - Emerging Markets Total Return Bond Portfolio	99 - Other	Société d'Investissement À Capital Variable (SICAV)	2 - Non-mutual		86.71%	86.71%	86.71%		2 - Significant	86.71%	1 - Included in the scope		3 - Method 1: Adjusted equity method

Appendix 1 – Quantitative Reporting Templates (31 December 2024) – PGH Group continued

Appendix 1.7 – IR.32.01.22 Undertakings in the scope of the group continued

							Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
Identification code and type of code of the undertaking	Country	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Yes/No	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking
C0020	C0010	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
LEI/WGDO8IK7MKKYXNCOCV40	NL	Goldman Sachs SICAV - Goldman Sachs Emerging Markets Debt Portfolio	99 - Other	Société d'Investissement À Capital Variable (SICAV)	2 - Non-mutual		23.81%	23.81%	23.81%		2 - Significant	23.81%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800ZFL26XQ7UIFU39	GB	Gresham Life Assurance Society Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800AYDR6FBO6OCF03	GB	HSBC Investment Funds - Balanced Fund	99 - Other	Open ended investment company	2 - Non-mutual		78.31%	100.00%	78.31%		1 - Dominant	78.31%	1 - Included in the scope		3 - Method 1: Adjusted equity method
SC/923M5RA2I1X3IO5NGM14GB00013	GB	Iceni Nominees (No. 2) Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/21380039CUL33ZF3UK04	GB	Ignis Private Equity Fund LP	99 - Other	Limited Partnership	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/2138006EXLOU452E4658	GB	Ignis Strategic Credit Fund LP	99 - Other	Limited Partnership	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800SH4MG4MNVECA61	LU	Ignis Strategic Solutions Funds plc - Fundamental Strategies Fund	99 - Other	Open ended investment company	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800TDBB718C196H58	LU	Ignis Strategic Solutions Funds plc - Systematic Strategies Fund	99 - Other	Open ended investment company	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800PRI1Y9YF64UR32	GB	IH (Jersey) Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method

Appendix and additional information continued

Appendix 1 – Quantitative Reporting Templates (31 December 2024) – PGH Group continued

Appendix 1.7 – IR.32.01.22 Undertakings in the scope of the group continued

							Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
Identification code and type of code of the undertaking	Country	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Yes/No	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking
C0020	C0010	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
LEI/213800YSR6GTJ8MVUS19	GB	Impala Holdings Limited	5 - Insurance holding company as defined in the Glossary part of the PRA Rulebook.	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		1 - Method 1: Full consolidation
LEI/2138001Q4BGZ3QASNG93	GB	Impala Loan Company 1 Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
SC/923M5RA2I1X3IO5NGM14GB00025	GB	Inhoco 3107 Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800OYKACAA223KA89	US	Invesco Managed Growth Fund	99 - Other	Open ended investment company	2 - Non-mutual		51.99%	51.99%	51.99%		2 - Significant	51.99%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/549300N65CUKX4I4ZW97	GB	iShares 350 UK Equity Index Fund UK	99 - Other	Open ended investment company	2 - Non-mutual		97.98%	100.00%	97.98%		1 - Dominant	97.98%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/549300QZQGK46YT0OX58	US	iShares Bloomberg Roll Select Commodity Strategy ETF	99 - Other	Open ended investment company	2 - Non-mutual		51.90%	100.00%	51.90%		1 - Dominant	51.90%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800FL6C11Q8VAKA51	GB	Janus Henderson All Stocks Credit Fund	99 - Other	Open ended investment company	2 - Non-mutual		25.17%	25.17%	25.17%		2 - Significant	25.17%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800VG1BZO9WR4I941	GB	Janus Henderson Diversified Growth Fund	99 - Other	Open ended investment company	2 - Non-mutual		65.06%	65.06%	65.06%		2 - Significant	65.06%	1 - Included in the scope		3 - Method 1: Adjusted equity method

Appendix 1 – Quantitative Reporting Templates (31 December 2024) – PGH Group continued

Appendix 1.7 – IR.32.01.22 Undertakings in the scope of the group continued

							Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
Identification code and type of code of the undertaking	Country	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Yes/No	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking
C0020	C0010	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
LEI/213800WB1GP7V9W9QE21	GB	Janus Henderson Emerging Markets Opportunities Fund	99 - Other	Open ended investment company	2 - Non-mutual		23.90%	23.90%	23.90%		2 - Significant	23.90%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800PZXIJUMYOXDN27	GB	Janus Henderson Global Funds - Janus Henderson Institutional Overseas Bond Fund	99 - Other	Open ended investment company	2 - Non-mutual		99.28%	100.00%	99.28%		1 - Dominant	99.28%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/2138004YB2HUL6PHSQ91	GB	Janus Henderson Institutional Global Responsible Managed Fund	99 - Other	Open ended investment company	2 - Non-mutual		29.35%	29.35%	29.35%		2 - Significant	29.35%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800BJNPIRCWGSEF97	GB	Janus Henderson Institutional High Alpha UK Equity Fund	99 - Other	Authorised unit trust	2 - Non-mutual		92.50%	100.00%	92.50%		1 - Dominant	92.50%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800IJ3HKI1OZKQ289	GB	Janus Henderson Institutional Mainstream UK Equity Trust	99 - Other	Authorised unit trust	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800I7IK5UQW1RAB89	GB	Janus Henderson Institutional Short Duration Bond Fund	99 - Other	Authorised unit trust	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800SPJ66CK3GEGF30	GB	Janus Henderson Institutional UK Equity Tracker Trust	99 - Other	Authorised unit trust	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800TQYSHLWYSUR685	GB	Janus Henderson Institutional UK Index Opportunities Fund	99 - Other	Open ended investment company	2 - Non-mutual		57.53%	57.53%	57.53%		2 - Significant	57.53%	1 - Included in the scope		3 - Method 1: Adjusted equity method

Appendix 1 – Quantitative Reporting Templates (31 December 2024) – PGH Group continued

Appendix 1.7 – IR.32.01.22 Undertakings in the scope of the group continued

							Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
Identification code and type of code of the undertaking	Country	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Yes/No	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking
C0020	C0010	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
LEI/2138006CHW6K23X8BM02	GB	Janus Henderson Strategic Investment Funds - Janus Henderson Institutional Asia Pacific ex Japan Index Opportunities Fund	99 - Other	Open ended investment company	2 - Non-mutual		96.04%	100.00%	96.04%		1 - Dominant	96.04%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800GCSPYUX5TO2V30	GB	Janus Henderson Strategic Investment Funds - Janus Henderson Institutional Japan Index Opportunities Fund	99 - Other	Open ended investment company	2 - Non-mutual		86.39%	100.00%	86.39%		1 - Dominant	86.39%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/2138007DWD6A7X7FL923	GB	Janus Henderson Strategic Investment Funds - Janus Henderson Institutional North American Index Opportunities Fund	99 - Other	Open ended investment company	2 - Non-mutual		80.69%	100.00%	80.69%		1 - Dominant	80.69%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800SIJ46ILXYN8O51	GB	L&G Absolute Return Bond Plus Fund	99 - Other	Société d'Investissement À Capital Variable (SICAV)	2 - Non-mutual		49.33%	49.33%	49.33%		2 - Significant	49.33%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800ZVSCE7L3KU6U28	IE	L&G Emerging Markets Bond Fund	99 - Other	Société d'Investissement À Capital Variable (SICAV)	2 - Non-mutual		74.74%	74.74%	74.74%		2 - Significant	74.74%	1 - Included in the scope		3 - Method 1: Adjusted equity method

Appendix 1 – Quantitative Reporting Templates (31 December 2024) – PGH Group continued

Appendix 1.7 – IR.32.01.22 Undertakings in the scope of the group continued

							Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
Identification code and type of code of the undertaking	Country	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Yes/No	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking
C0020	C0010	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
LEI/213800ND8EN47WFIAF52	GB	L&G Multi-Asset Target Return Fund	99 - Other	Société d'Investissement À Capital Variable (SICAV)	2 - Non-mutual		40.81%	40.81%	40.81%		2 - Significant	40.81%	1 - Included in the scope		3 - Method 1: Adjusted equity method
SC/2306074	GB	Laurtrust Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800NBH8PCPDVJOV48	GB	Legal & General Active Sterling Corporate Bond Fund	99 - Other	Authorised unit trust	2 - Non-mutual		23.99%	23.99%	23.99%		2 - Significant	23.99%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800I2ZF7JRQ8Q2678	GB	Legal & General Emerging Markets Government Bond (Local Currency) Index Fund	99 - Other	Authorised unit trust	2 - Non-mutual		20.34%	20.34%	20.34%		2 - Significant	20.34%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800FWBWOJEX2XZX77	GB	Legal & General Emerging Markets Government Bond USD Index Fund	99 - Other	Authorised unit trust	2 - Non-mutual		32.42%	32.42%	32.42%		2 - Significant	32.42%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800965CE5G2AP7L50	GB	Legal & General European Equity Income Fund	99 - Other	Authorised unit trust	2 - Non-mutual		87.08%	100.00%	87.08%		1 - Dominant	87.08%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800YSUVVHCQVEL772	GB	Legal & General Active Global High Yield Bond Fund	99 - Other	Authorised unit trust	2 - Non-mutual		41.01%	41.01%	41.01%		2 - Significant	41.01%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800NX4TBD1QVV8S45	GB	Legal & General UK Smaller Companies Trust	99 - Other	Authorised unit trust	2 - Non-mutual		31.39%	31.39%	31.39%		2 - Significant	31.39%	1 - Included in the scope		3 - Method 1: Adjusted equity method

Appendix and additional information continued

Appendix 1 – Quantitative Reporting Templates (31 December 2024) – PGH Group continued

Appendix 1.7 – IR.32.01.22 Undertakings in the scope of the group continued

							Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
Identification code and type of code of the undertaking	Country	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Yes/No	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking
C0020	C0010	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
LEI/213800DBB4A9OPYN9154	GB	LGIM Sterling Liquidity Plus Fund	99 - Other	Undertakings for Collective Investments in Transferable Securities	2 - Non-mutual		21.51%	21.51%	21.51%		2 - Significant	21.51%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800H867B9CB2RM694	GB	London Life Trustees Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/2138009JDIENFDLD9M78	GB	Namulas Pension Trustees Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/21380065SBT1KWR9GL23	GB	National Provident Institution	99 - Other	Unlimited without shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800QU1FBSLX89Q242	GB	National Provident Life Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800QRAX9B66OFC934	GB	Ninety One Funds Series i Global Macro Allocation Fund	99 - Other	Open ended investment company	2 - Non-mutual		23.23%	23.23%	23.23%		2 - Significant	23.23%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/2138009SCXYSOTLSXH75	GB	NM Life Trustees Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800MTFCWA4G695463	GB	NM Pensions Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
SC/923M5RA2I1X3IO5NGM14GB10001	GB	North American Strategic Partners (Feeder) 2008 Limited Partnership	99 - Other	Limited Partnership	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method

Appendix 1.7 – IR.32.01.22 Undertakings in the scope of the group continued

							Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
Identification code and type of code of the undertaking	Country	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Yes/No	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking
C0020	C0010	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
SC/923M5RA2I1X3IO5NGM14US10000	US	North American Strategic Partners 2008 L.P.	99 - Other	Limited Partnership	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/2138009129G12OFZWC28	GB	NP Life Holdings Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800UX8KICATW4FL79	GB	NPI (Printworks) Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800Q3CZMOFF9OE643	GB	NPI (Westgate) Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800CZWH4VG2X7HP11	GB	PA (GI) Limited	2 - Non-life insurance undertaking	Company limited by shares	2 - Non-mutual	The Prudential Regulation Authority	100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		1 - Method 1: Full consolidation
LEI/254900Q1JWJ9GIRHX184	GG	Partners Group Phoenix, L.P. Inc.	99 - Other	Limited Partnership	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/2138004MK7VPTZ99EV13	GB	Patria Private Equity Trust plc	99 - Other	Company limited by shares	2 - Non-mutual		54.30%	100.00%	54.30%		1 - Dominant	54.30%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800SHU5OGZS6PJZ19	GB	Pearl (Covent Garden) Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800JH8I75Q3WBIX59	GB	Pearl (Martineau Phase 1) Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method

Appendix and additional information continued

Appendix 1 – Quantitative Reporting Templates (31 December 2024) – PGH Group continued

Appendix 1.7 – IR.32.01.22 Undertakings in the scope of the group continued

							Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
Identification code and type of code of the undertaking	Country	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Yes/No	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking
C0020	C0010	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
LEI/213800H9LDHZUVWW9F07	GB	Pearl (Martineau Phase 2) Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800UL2ISGIL5ZYH43	GB	Pearl (Moor House) Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800NASW8ZHVZ3U265	GB	Pearl (WP) Investments LLC	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800NH6RYZBJ6K5C11	GB	Pearl AL Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/21380067P35533CPS717	GB	Pearl Assurance Group Holdings Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800F9J1GCM4FMTU87	GB	Pearl Customer Care Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800PO6LOTMSXHAP71	GB	Pearl Group Holdings (No. 1) Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/2138002124DJU5NAJB47	GB	Pearl Group Holdings (No. 2) Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/2138005IQK4DZ2N8UH82	GB	Pearl Group Secretariat Services Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method

Appendix and additional information continued

Appendix 1 – Quantitative Reporting Templates (31 December 2024) – PGH Group continued

Appendix 1.7 – IR.32.01.22 Undertakings in the scope of the group continued

Identification code and type of code of the undertaking	Country	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority	Criteria of influence: % capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Inclusion in the scope of Group supervision: Yes/No	Date of decision if art. 214 is applied	Group solvency calculation: Method used and under method 1, treatment of the undertaking
C0020	C0010	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
LEI/213800KR6QUMTDIX5H91	GB	Pearl Group Services Limited	10 - Ancillary services undertaking as defined in the Glossary part of the PRA Rulebook.	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		1 - Method 1: Full consolidation
LEI/2138005INFYUNFGXD528	GB	Pearl Life Holdings Limited	5 - Insurance holding company as defined in the Glossary part of the PRA Rulebook.	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		1 - Method 1: Full consolidation
LEI/213800EEKY3ZQDUYKV60	GB	Pearl MP Birmingham Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800N6TMQCXMD13L87	GB	Pearl Private Equity LP	99 - Other	Limited Partnership	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800V8BBPFHQH81386	GB	Pearl RLG Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
SC/213800LHZHSXHFZ59970GB10001	GB	Pearl Strategic Credit LP	99 - Other	Limited Partnership	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/2138001ZOXFC79PEZS19	GB	Pearl Trustees Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method

Appendix 1 – Quantitative Reporting Templates (31 December 2024) – PGH Group continued

Appendix 1.7 – IR.32.01.22 Undertakings in the scope of the group continued

							Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
Identification code and type of code of the undertaking	Country	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Yes/No	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking
C0020	C0010	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
LEI/2138002CJZVH844BO431	GB	PG Dormant (No 4) Limited)	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800YBYX8PMP3QQM09	GB	PG Dormant (No 5) Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800RGEZJWU7O2EQ55	GB	PG Dormant (No 6) Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800NDZUFCLVRMYQ89	GB	PG Dormant (No 7) Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
SC/2939726	GB	PGH CA Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
SC/6932783	GB	PGL Pension Trustee Limited	99 - Other	Company limited by guarantee	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800ZG6QXSK9G9GO74	GB	PGMS (Glasgow) Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800XE94GLGH5TUQ16	GB	PGMS (Ireland) Holdings Unlimited Company	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method

Appendix 1 – Quantitative Reporting Templates (31 December 2024) – PGH Group continued

Appendix 1.7 – IR.32.01.22 Undertakings in the scope of the group continued

							Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
Identification code and type of code of the undertaking	Country	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Yes/No	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking
C0020	C0010	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
LEI/213800DP8RHURBWQUW31	GB	PGMS (Ireland) Limited	10 - Ancillary services undertaking as defined in the Glossary part of the PRA Rulebook.	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		1 - Method 1: Full consolidation
LEI/213800GXSEN5TJWQMI72	GB	PGS 2 Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800DJMETF2ALADE56	GB	Phoenix & London Assurance Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800G8PY6JCXSQLC67	GB	Phoenix (Barwell 2) Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/2138001CFOTDN3U7BM31	GB	Phoenix (Chiswick House) Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800FUUJNPK8RGKI07	GB	Phoenix (Moor House 1) Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800AAGWJ9I1A76T36	GB	Phoenix (Moor House 2) Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800GRV1G4NBVR2C83	GB	Phoenix (Printworks) Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method

Appendix and additional information continued

Appendix 1 – Quantitative Reporting Templates (31 December 2024) – PGH Group continued

Appendix 1.7 – IR.32.01.22 Undertakings in the scope of the group continued

							Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
Identification code and type of code of the undertaking	Country	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Yes/No	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking
C0020	C0010	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
LEI/2138005OLWBASFXB7S08	GB	Phoenix (Stockley Park) Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800Y7LOTDOSDNEL59	GB	Phoenix Advisers Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800YA6KBR5F6X5773	GB	Phoenix AW Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800YXNP7NQGER8E10	GB	Phoenix Customer Care Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/2138007DV547Q2B7MR04	GB	Phoenix ER1 Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800XBTJGEIJPJIT08	GB	Phoenix ER2 Limited	11 - Non–regulated undertaking carrying out financial activities	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		4 - Method 1: Sectoral rules
LEI/21380039WGL689JN6E44	GB	Phoenix ER3 Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800ILIUK3NF5H7465	GB	Phoenix ER4 Limited	11 - Non–regulated undertaking carrying out financial activities	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		4 - Method 1: Sectoral rules

Appendix and additional information continued

Appendix 1 – Quantitative Reporting Templates (31 December 2024) – PGH Group continued

Appendix 1.7 – IR.32.01.22 Undertakings in the scope of the group continued

							Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
Identification code and type of code of the undertaking	Country	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Yes/No	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking
C0020	C0010	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
LEI/2138008TTY2T2R99JH73	GB	Phoenix ER5 Limited	11 - Non–regulated undertaking carrying out financial activities	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		4 - Method 1: Sectoral rules
LEI/2138009GKYVM1UUHJA96	GB	Phoenix ER6 Limited	11 - Non–regulated undertaking carrying out financial activities	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		4 - Method 1: Sectoral rules
SC/6997417	GB	Phoenix Group CA Services Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/21380089ZAQLRGSTXL02	GB	Standard Life Group Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800CUYV3HL17JP515	JE	Phoenix Group Employee Benefit Trust	99 - Other	Trust	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/21380031B1D56JRCE375	GB	Phoenix Group Holdings	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
SC/923M5RA2I1X3IO5NGM14BM10000	GB	Phoenix Group Holdings (Bermuda) Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method

Appendix 1 – Quantitative Reporting Templates (31 December 2024) – PGH Group continued

Appendix 1.7 – IR.32.01.22 Undertakings in the scope of the group continued

							Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
Identification code and type of code of the undertaking	Country	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Yes/No	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking
C0020	C0010	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
LEI/2138001P49OLAEU33T68	GB	Phoenix Group Holdings PLC	5 - Insurance holding company as defined in the Glossary part of the PRA Rulebook.	Company limited by shares	2 - Non-mutual								1 - Included in the scope		1 - Method 1: Full consolidation
LEI/2138009BU7B91VZP2M65	GB	Phoenix Group Management Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/2138005CNV9TY74WAR28	GB	Phoenix Group Management Services Limited	10 - Ancillary services undertaking as defined in the Glossary part of the PRA Rulebook.	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		1 - Method 1: Full consolidation
SC/923M5RA2I1X3IO5NGM14GB10031	US	Phoenix Highvista Venture Capital Partners LP	99 - Other	Limited Partnership	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
SC/923M5RA2I1X3IO5NGM14BM10001	GB	Phoenix Holdings (Bermuda) Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800E7XPAE1UGSR105	GB	Phoenix Life Assurance Europe DAC	1 - Life insurance undertaking	Company limited by shares	2 - Non-mutual	Central Bank of Ireland	100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		1 - Method 1: Full consolidation
LEI/213800LHZHSXHFZ59970	GB	Phoenix Life Assurance Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method

Appendix and additional information continued

Appendix 1 – Quantitative Reporting Templates (31 December 2024) – PGH Group continued

Appendix 1.7 – IR.32.01.22 Undertakings in the scope of the group continued

							Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
Identification code and type of code of the undertaking	Country	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Yes/No	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking
C0020	C0010	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
LEI/213800LBGGLJPIBQ4P08	GB	Phoenix Life CA Holdings Limited	5 - Insurance holding company as defined in the Glossary part of the PRA Rulebook.	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		1 - Method 1: Full consolidation
LEI/549300NZ227BVL5W4E72	GB	Phoenix Life CA Limited	1 - Life insurance undertaking	Company limited by shares	2 - Non-mutual	The Prudential Regulation Authority	100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		1 - Method 1: Full consolidation
LEI/2138009PGTUXA25AU785	GB	Phoenix Life Holdings Limited	5 - Insurance holding company as defined in the Glossary part of the PRA Rulebook.	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		1 - Method 1: Full consolidation
LEI/213800F8BC7QS1SGPG53	GB	Phoenix Life Limited	1 - Life insurance undertaking	Company limited by shares	2 - Non-mutual	The Prudential Regulation Authority	100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		1 - Method 1: Full consolidation
SC/923M5RA2I1X3IO5NGM14BM10002	GB	Phoenix Management Services (Bermuda) Limited	10 - Ancillary services undertaking as defined in the Glossary part of the PRA Rulebook.	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		1 - Method 1: Full consolidation
SC/923M5RA2I1X3IO5NGM14BM10003	GB	Phoenix Management Services Holdings (Bermuda) Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method

Appendix and additional information continued

Appendix 1 – Quantitative Reporting Templates (31 December 2024) – PGH Group continued

Appendix 1.7 – IR.32.01.22 Undertakings in the scope of the group continued

							Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
Identification code and type of code of the undertaking	Country	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Yes/No	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking
C0020	C0010	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
LEI/213800KSY8FMU99DE175	GB	Phoenix Pension Scheme (Trustees) Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800JTP4IW1CLE8Q08	GB	Phoenix Pensions Trustee Services Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800Y4Q4FWW5V6RH28	GB	Phoenix Re Limited	1 - Life insurance undertaking	Company limited by shares	2 - Non-mutual	Bermuda Monetary Authority	100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		1 - Method 1: Full consolidation
LEI/213800HVX64Z6SADYQ50	GB	Phoenix SCP Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/2138005P7ZYYWWBCRY26	GB	Phoenix SCP Pensions Trustees Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800OHBY9DMQUET391	GB	Phoenix SCP Trustees Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800JU1AQEHLXNFB22	GB	Phoenix SL Direct Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800COYKUWIUR3SG48	GB	Phoenix SPV1 Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/2138003N16KHLOXD3D04	GB	Phoenix SPV2 Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method

Appendix and additional information continued

Appendix 1 – Quantitative Reporting Templates (31 December 2024) – PGH Group continued

Appendix 1.7 – IR.32.01.22 Undertakings in the scope of the group continued

							Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
Identification code and type of code of the undertaking	Country	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Yes/No	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking
C0020	C0010	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
LEI/213800NG1JUVIV3DGS16	GB	Phoenix SPV3 Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800N5TUHIA7XVOB84	GB	Phoenix SPV4 Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800LJMZ4QEJ8AUV97	GB	Phoenix ULA Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800RUJKNJ1A9ZX173	GB	Phoenix Unit Trust Managers Limited	14 - UCITS management companies as defined in the Glossary part of the PRA Rulebook.	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		4 - Method 1: Sectoral rules
LEI/213800XE3S51YKKDFC05	GB	Phoenix Wealth Holdings Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800PSSLEQR5IDJ351	GB	Phoenix Wealth Services Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800IHCXV68Y68RU96	GB	Phoenix Wealth Trustee Services Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
SC/923M5RA2I1X3IO5NGM14SE10009	SE	Pilangen Logistik AB	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method

Appendix and additional information continued

Appendix 1 – Quantitative Reporting Templates (31 December 2024) – PGH Group continued

Appendix 1.7 – IR.32.01.22 Undertakings in the scope of the group continued

							Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
Identification code and type of code of the undertaking	Country	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Yes/No	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking
C0020	C0010	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
SC/923M5RA2I1X3IO5NGM14SE10010	SE	Pilangen Logistik I AB	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800G3CT64T8T6RX26	GB	PUTM ACS Asia Pacific ex Japan Fund	99 - Other	Authorised unit trust	2 - Non-mutual		99.95%	100.00%	99.95%		1 - Dominant	99.95%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800PNTFTLEKWWUO82	GB	PUTM ACS Emerging Market Equity Fund	99 - Other	Authorised unit trust	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800HLG15CNT6KCJ73	GB	PUTM ACS European ex UK Fund	99 - Other	Authorised unit trust	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800DFM51OSE7C6L40	GB	PUTM ACS Japan Equity Fund	99 - Other	Authorised unit trust	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800MS8CUQ8LOAYB87	GB	PUTM ACS Lothian European Ex UK Fund	99 - Other	Authorised unit trust	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800YSS1HTQAI4SX74	GB	PUTM ACS Lothian North American Equity Fund	99 - Other	Authorised unit trust	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800OXPDY56B7C1M10	GB	PUTM ACS Lothian UK Gilt Fund	99 - Other	Authorised unit trust	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800HF5AW7BZBTC669	GB	PUTM ACS Lothian UK Listed Smaller Companies Fund	99 - Other	Authorised unit trust	2 - Non-mutual		99.99%	100.00%	99.99%		1 - Dominant	99.99%	1 - Included in the scope		3 - Method 1: Adjusted equity method

Appendix and additional information continued

Appendix 1 – Quantitative Reporting Templates (31 December 2024) – PGH Group continued

Appendix 1.7 – IR.32.01.22 Undertakings in the scope of the group continued

Identification code and type of code of the undertaking	Country	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority	Criteria of influence: % capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Inclusion in the scope of Group supervision: Yes/No	Date of decision if art. 214 is applied	Group solvency calculation: Method used and under method 1, treatment of the undertaking
C0020	C0010	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
LEI/213800I2HG3FZI1BIH36	GB	PUTM ACS North American 2 Fund	99 - Other	Authorised unit trust	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/21380083UINVX6OPMN18	GB	PUTM ACS North American 3 Fund	99 - Other	Authorised unit trust	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800Q97JM5OIYWCM46	GB	PUTM ACS North American Fund	99 - Other	Authorised unit trust	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/2138009SHGRDAYS2Q997	GB	PUTM ACS Sterling Credit Fund	99 - Other	Authorised unit trust	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800LNNBA9DLDTJC72	GB	PUTM ACS Sustainable Index Asia Pacific ex Japan Equity Fund	99 - Other	Authorised unit trust	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800CPS2TAKZ37S747	GB	PUTM ACS Sustainable Index Emerging Markets Equity Fund	99 - Other	Authorised unit trust	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/2138009QLOGNKRBU2G17	GB	PUTM ACS Sustainable Index European Equity Fund	99 - Other	Authorised unit trust	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800U4P86N8XX5WV77	GB	PUTM ACS Sustainable Index Japan Equity Fund	99 - Other	Authorised unit trust	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800FV1FIEDK7IDS35	GB	PUTM ACS Sustainable Index UK Equity Fund	99 - Other	Authorised unit trust	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method

Appendix 1 – Quantitative Reporting Templates (31 December 2024) – PGH Group continued

Appendix 1.7 – IR.32.01.22 Undertakings in the scope of the group continued

							Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
Identification code and type of code of the undertaking	Country	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Yes/No	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking
C0020	C0010	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
LEI/213800GVYQ35JQ6NBR08	GB	PUTM ACS Sustainable Index US Equity Fund	99 - Other	Authorised unit trust	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800S1WB1JRZT3OV40	GB	PUTM ACS UK All Share Listed Equity Multi Manager Fund	99 - Other	Authorised unit trust	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800SS1J4CQDZ8HT64	GB	PUTM ACS US Dollar Credit Fund	99 - Other	Authorised unit trust	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/2138007GV3TM61ULD343	GB	PUTM Bothwell Asia Pacific (Excluding Japan) Fund	99 - Other	Authorised unit trust	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800A36R1Z1S85RR19	GB	PUTM Bothwell Emerging Market Debt Unconstrained Fund	99 - Other	Authorised unit trust	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800VCC5MENTKHP567	GB	PUTM Bothwell Emerging Markets Equity Fund	99 - Other	Authorised unit trust	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800T31U3W79HGRH81	GB	PUTM Bothwell Euro Sovereign Fund	99 - Other	Authorised unit trust	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800882SVHV1XPLA47	GB	PUTM Bothwell European Credit Fund	99 - Other	Authorised unit trust	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800XSYBULEE2E4N30	GB	PUTM Bothwell Floating Rate ABS Fund	99 - Other	Authorised unit trust	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method

Appendix and additional information continued

Appendix 1 – Quantitative Reporting Templates (31 December 2024) – PGH Group continued

Appendix 1.7 – IR.32.01.22 Undertakings in the scope of the group continued

							Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
Identification code and type of code of the undertaking	Country	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Yes/No	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking
C0020	C0010	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
LEI/2138008DFTGZAKHGR525	GB	PUTM Bothwell Global Bond Fund	99 - Other	Authorised unit trust	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800JGHD8XCIYNWU64	GB	PUTM Bothwell Global Credit Fund	99 - Other	Authorised unit trust	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800FOR1Z8YSVHSW15	GB	PUTM Bothwell Index-Linked Sterling Hedged Fund	99 - Other	Authorised unit trust	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800KHXBLNLCG65816	GB	PUTM Bothwell Long Gilt Sterling Hedged Fund	99 - Other	Authorised unit trust	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800WZW92EK7G7XM97	GB	PUTM Bothwell Short Duration Credit Fund	99 - Other	Authorised unit trust	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800TRPZOHA5CTQT96	GB	PUTM Bothwell Sterling Credit Fund	99 - Other	Authorised unit trust	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800FHKCOXS82HQG65	GB	PUTM Bothwell Sterling Government Bond Fund	99 - Other	Authorised unit trust	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800W3AMX9O6QS6F82	GB	PUTM Bothwell Sub-Sovereign A Fund	99 - Other	Authorised unit trust	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800XP7PXFVTAW1H83	GB	PUTM Bothwell Tactical Asset Allocation Fund	99 - Other	Authorised unit trust	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method

Appendix 1 – Quantitative Reporting Templates (31 December 2024) – PGH Group continued

Appendix 1.7 – IR.32.01.22 Undertakings in the scope of the group continued

							Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
Identification code and type of code of the undertaking	Country	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Yes/No	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking
C0020	C0010	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
LEI/213800KH7K7YYQ7LLG85	GB	PUTM Bothwell Uk Equity Income Fund	99 - Other	Authorised unit trust	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800YSEHZI6484YL62	GB	PUTM Bothwell Ultra Short Duration Fund	99 - Other	Authorised unit trust	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/2138004HI8MR9C7M4110	GB	PUTM Far Eastern Unit Trust	99 - Other	Authorised unit trust	2 - Non-mutual		99.70%	100.00%	99.70%		1 - Dominant	99.70%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800KPZ3IYLLF4UT85	GB	PUTM UK All-Share Index Unit Trust	99 - Other	Authorised unit trust	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800R4RZSQBOAMVN21	GB	PUTM UK Stock Market Fund	99 - Other	Authorised unit trust	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800AZRF8KX73WPT70	GB	PUTM UK Stock Market Fund (Series 3)	99 - Other	Authorised unit trust	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800G78HNMTLXI3249	GB	Quilter Investors Cirilium Balanced Blend Portfolio	99 - Other	Open ended investment company	2 - Non-mutual		35.63%	35.63%	35.63%		2 - Significant	35.63%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/2138007Z7QEBDARKU307	GB	Quilter Investors Ethical Equity Fund	99 - Other	Authorised unit trust	2 - Non-mutual		34.75%	34.75%	34.75%		2 - Significant	34.75%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/2138008DPFYG6GZP1663	GB	Quilter Investors Global Dynamic Equity Fund	99 - Other	Open ended investment company	2 - Non-mutual		83.31%	100.00%	83.31%		1 - Dominant	83.31%	1 - Included in the scope		3 - Method 1: Adjusted equity method

Appendix 1 – Quantitative Reporting Templates (31 December 2024) – PGH Group continued

Appendix 1.7 – IR.32.01.22 Undertakings in the scope of the group continued

							Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
Identification code and type of code of the undertaking	Country	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Yes/No	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking
C0020	C0010	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
LEI/5493008NS84N77PXTG85	GB	Quilter Investors Global Equity Growth Fund	99 - Other	Open ended investment company	2 - Non-mutual		54.89%	54.89%	54.89%		2 - Significant	54.89%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800WOC9UMRNV45O46	GB	ReAssure Companies Services Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800G9IQ6CXE31Y637	GB	ReAssure FS Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800UW8CON9XG6EY13	GB	ReAssure FSH UK Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/549300890XJXTPM3FM60	GB	ReAssure Group plc	5 - Insurance holding company as defined in the Glossary part of the PRA Rulebook.	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		1 - Method 1: Full consolidation
LEI/5493005LF51QP7R4SS09	GB	ReAssure Life Limited	1 - Life insurance undertaking	Company limited by shares	2 - Non-mutual	The Prudential Regulation Authority	100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		1 - Method 1: Full consolidation
LEI/213800URB5NH1X13VR38	GB	ReAssure Life Pension Trustees Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/BQYCTFWOEM1JRDE6F109	GB	ReAssure Limited	1 - Life insurance undertaking	Company limited by shares	2 - Non-mutual	The Prudential Regulation Authority	100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		1 - Method 1: Full consolidation

Appendix and additional information continued

Appendix 1 – Quantitative Reporting Templates (31 December 2024) – PGH Group continued

Appendix 1.7 – IR.32.01.22 Undertakings in the scope of the group continued

							Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
Identification code and type of code of the undertaking	Country	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Yes/No	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking
C0020	C0010	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
LEI/213800WYM9VABFBW4H22	GB	ReAssure LL Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800JRB5W4GNWQU717	GB	ReAssure Midco Limited	5 - Insurance holding company as defined in the Glossary part of the PRA Rulebook.	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		1 - Method 1: Full consolidation
LEI/213800BOL8WLP4I7SA44	GB	ReAssure Nominees Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/2138008XWGP2LK6Z9532	GB	ReAssure Pension Trustees Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800UZNVRPALQEDZ61	GB	ReAssure PM Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/2138006XCBKUGVOLOT84	GB	ReAssure Trustees Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800TVW97G2S3WAH16	GB	ReAssure Two Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800GYRULRXGODMH68	GB	ReAssure UK Life Assurance Company Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method

Appendix and additional information continued

Appendix 1 – Quantitative Reporting Templates (31 December 2024) – PGH Group continued

Appendix 1.7 – IR.32.01.22 Undertakings in the scope of the group continued

							Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
Identification code and type of code of the undertaking	Country	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Yes/No	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking
C0020	C0010	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
LEI/213800V2138XI4IYEZ47	GB	ReAssure UK Services Limited	10 - Ancillary services undertaking as defined in the Glossary part of the PRA Rulebook.	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		1 - Method 1: Full consolidation
LEI/213800USPMOXN564PL94	LU	Responsible Global High Yield Bond Fund	99 - Other	Société d'Investissement À Capital Variable (SICAV)	2 - Non-mutual		25.38%	25.38%	25.38%		2 - Significant	25.38%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/2138005UIU35JDXXGL16	NL	Robeco - Phoenix Customized Multi Asset Fund	99 - Other	Société d'Investissement À Capital Variable (SICAV)	2 - Non-mutual		98.88%	98.88%	98.88%		2 - Significant	98.88%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800G3D5YDMZG9Z661	NL	Robeco QI Emerging Markets Sustainable Enhanced Index Equities II	99 - Other	Société d'Investissement À Capital Variable (SICAV)	2 - Non-mutual		100.00%	100.00%	100.00%		2 - Significant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/5493008MCS26IBRGYC26	GB	Schroder European Fund	99 - Other	Authorised unit trust	2 - Non-mutual		56.43%	56.43%	56.43%		2 - Significant	56.43%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/UILX05PRFETP7OQYCX05	LU	Schroder International Selection Fund - Global Diversified Growth	99 - Other	Société d'Investissement À Capital Variable (SICAV)	2 - Non-mutual		25.69%	25.69%	25.69%		2 - Significant	25.69%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/549300E23SEL4CSF5X08	GB	Schroder UK Mid 250 Fund	99 - Other	Authorised unit trust	2 - Non-mutual		27.03%	27.03%	27.03%		2 - Significant	27.03%	1 - Included in the scope		3 - Method 1: Adjusted equity method

Appendix and additional information continued

Appendix 1 – Quantitative Reporting Templates (31 December 2024) – PGH Group continued

Appendix 1.7 – IR.32.01.22 Undertakings in the scope of the group continued

							Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
Identification code and type of code of the undertaking	Country	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Yes/No	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking
C0020	C0010	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
LEI/636700WOU3S4M0QFF385	GB	Schroders (Future Growth Capital) Global Private Assets LTAF	99 - Other	Open ended investment company	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/636700CKTQ2Z42UTJW16	GB	Schroders (Future Growth Capital) UK Private Assets LTAF	99 - Other	Open ended investment company	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800ZILLOABHU4ZT66	GB	Scottish Mutual Assurance Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800J33B28B2SKEF70	GB	Scottish Mutual Nominees Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800LFFJ5UNTAEZK91	GB	Scottish Mutual Pension Funds Investment Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
SC/923M5RA2I1X3IO5NGM14GB00032	GB	SL (NEWCO) Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800O1YBZJ7WJK2567	GB	SL Liverpool Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
SC/923M5RA2I1X3IO5NGM14BE10003	BE	SLA Belgium No.1 SA	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
SC/923M5RA2I1X3IO5NGM14DK10027	DK	SLA Denmark No.1 ApS	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method

Appendix and additional information continued

Appendix 1 – Quantitative Reporting Templates (31 December 2024) – PGH Group continued

Appendix 1.7 – IR.32.01.22 Undertakings in the scope of the group continued

							Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
Identification code and type of code of the undertaking	Country	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Yes/No	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking
C0020	C0010	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
SC/923M5RA2I1X3IO5NGM14DK10028	DK	SLA Denmark No.2 ApS	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
SC/923M5RA2I1X3IO5NGM14LU10004	LU	SLA Germany No.1 S.à.r.l.	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
SC/923M5RA2I1X3IO5NGM14LU10005	LU	SLA Germany No.2 S.à.r.l.	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
SC/923M5RA2I1X3IO5NGM14LU10006	LU	SLA Germany No.3 S.à.r.l.	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
SC/923M5RA2I1X3IO5NGM14LU10009	LU	SLA France SCI	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
SC/923M5RA2I1X3IO5NGM14NL10008	NL	SLA Netherlands No.1 B.V.	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
SC/923M5RA2I1X3IO5NGM14GB00007	GB	SLACOM (No. 10) Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
SC/923M5RA2I1X3IO5NGM14GB00008	GB	SLACOM (No. 8) Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
SC/923M5RA2I1X3IO5NGM14GB00009	GB	SLACOM (No. 9) Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method

Appendix and additional information continued

Appendix 1 – Quantitative Reporting Templates (31 December 2024) – PGH Group continued

Appendix 1.7 – IR.32.01.22 Undertakings in the scope of the group continued

							Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
Identification code and type of code of the undertaking	Country	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Yes/No	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking
C0020	C0010	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
SC/923M5RA2I1X3IO5NGM14GB10013	GB	SLIF Property Investment GP Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
SC/923M5RA2I1X3IO5NGM14GB10024	GB	SLIF Property Investment LP	99 - Other	Limited Partnership	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
SC/923M5RA2I1X3IO5NGM14GB00036	GB	Standard Life Agency Services Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/21380067BSRUHB4X5Y24	GB	Standard Life Assets and Employee Services Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
SC/923M5RA2I1X3IO5NGM14LU10002	LU	Standard Life Assurance (HWPF) Luxembourg S.à.r.l.	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/923M5RA2I1X3IO5NGM14	GB	Standard Life Assurance Limited	1 - Life insurance undertaking	Company limited by shares	2 - Non-mutual	The Prudential Regulation Authority	100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		1 - Method 1: Full consolidation
SC/15508283	GB	Standard Life Financial Advice Services Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
SC/923M5RA2I1X3IO5NGM14GB10032	GB	ESP General Partner Limited Partnership	99 - Other	Limited Partnership	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/MU1J7DTC8IC8VMFT8818	GB	Standard Life International Designated Activity Company	1 - Life insurance undertaking	Company limited by shares	2 - Non-mutual	Central Bank of Ireland	100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		1 - Method 1: Full consolidation

Appendix 1 – Quantitative Reporting Templates (31 December 2024) – PGH Group continued

Appendix 1.7 – IR.32.01.22 Undertakings in the scope of the group continued

							Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
Identification code and type of code of the undertaking	Country	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Yes/No	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking
C0020	C0010	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
SC/923M5RA2I1X3IO5NGM14GB00038	GB	Standard Life Investment Funds Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
SC/923M5RA2I1X3IO5NGM14GB00085	GB	Standard Life Investments Brent Cross LP	99 - Other	Authorised unit trust	2 - Non-mutual		40.13%	40.13%	40.13%		2 - Significant	40.13%	1 - Included in the scope		3 - Method 1: Adjusted equity method
SC/923M5RA2I1X3IO5NGM14JE10020	JE	Standard Life Investments UK Shopping Centre Trust	99 - Other	Authorised unit trust	2 - Non-mutual		40.13%	40.13%	40.13%		2 - Significant	40.13%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/549300CCUJ1BP6N2ZJ02	GB	Standard Life Lifetime Mortgages Limited	8 - Credit institution, investment firm and financial institution	Company limited by shares	2 - Non-mutual	Financial Conduct Authority	100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		4 - Method 1: Sectoral rules
LEI/213800MQMHVIR9ZA1Y57	GB	Standard Life Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
SC/923M5RA2I1X3IO5NGM14GB00076	GB	Standard Life Master Trust Co. Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
SC/923M5RA2I1X3IO5NGM14GB10025	GB	Standard Life Mortgages Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/RZJMLXIELM2LIX763187	GB	Standard Life Pension Funds Limited	99 - Other	Company limited by guarantee	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
SC/923M5RA2I1X3IO5NGM14GB00035	GB	Standard Life Property Company Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method

Appendix 1 – Quantitative Reporting Templates (31 December 2024) – PGH Group continued

Appendix 1.7 – IR.32.01.22 Undertakings in the scope of the group continued

							Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
Identification code and type of code of the undertaking	Country	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Yes/No	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking
C0020	C0010	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
LEI/213800BKB33U8U4K4M34	GB	Standard Life Trustee Company Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/6354005RZ7F1M5GKNZ41	LU	Stonepeak Core Fund (Lux) SCSp	99 - Other	Limited Partnership	2 - Non-mutual		83.30%	100.00%	83.30%		1 - Dominant	83.30%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/2138003PPIEA27377A59	GB	SunLife Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
SC/923M5RA2I1X3IO5NGM14GB10014	GB	The Heritable Securities and Mortgage Investment Association Ltd	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800696N9OI66X5I18	GB	The London Life Association Limited	99 - Other	Company limited by guarantee	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/549300C27RH6HRL6S840	GB	The Marks and Spencer Worldwide Managed Fund	99 - Other	Authorised unit trust	2 - Non-mutual		30.42%	30.42%	30.42%		2 - Significant	30.42%	1 - Included in the scope		3 - Method 1: Adjusted equity method
SC/213800JRB5W4GNWQU717GB10000	GB	The Pathe Building Management Company Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800EFHIV4NSSD3D48	GB	The Phoenix Life SCP Institution	99 - Other	Company limited by guarantee	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/213800HTOXWIQA6XQW93	GB	The Scottish Mutual Assurance Society	99 - Other	Company limited by guarantee	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method

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Appendix 1 – Quantitative Reporting Templates (31 December 2024) – PGH Group continued

Appendix 1.7 – IR.32.01.22 Undertakings in the scope of the group continued

							Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
Identification code and type of code of the undertaking	Country	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Yes/No	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking
C0020	C0010	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
SC/923M5RA2I1X3IO5NGM14NL10015	NL	The Standard Life Assurance Company of Europe B.V.	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/549300X5Q4C2T0ZY5M29	GB	Threadneedle Investment Funds ICVC - American Select Fund	99 - Other	Open ended investment company	2 - Non-mutual		20.32%	20.32%	20.32%		2 - Significant	20.32%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/54930094UY8E8IDCCQ62	IE	Vanguard Common Contractual Fund - Vanguard U.S. Equity Index Common Contractual Fund	99 - Other	Undertakings for Collective Investments in Transferable Securities	2 - Non-mutual		77.40%	77.40%	77.40%		2 - Significant	77.40%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/549300MDMXISWZOVU902	IE	Vanguard Investment Series plc - Vanguard Global Corporate Bond Index Fund	99 - Other	Undertakings for Collective Investments in Transferable Securities	2 - Non-mutual		38.21%	38.21%	38.21%		2 - Significant	38.21%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/549300EE8RY08NQNJR89	IE	Vanguard Investment Series plc - Vanguard Global Short-Term Corporate Bond Index Fund	99 - Other	Undertakings for Collective Investments in Transferable Securities	2 - Non-mutual		41.55%	41.55%	41.55%		2 - Significant	41.55%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/549300VGYO1YXS2DPB74	IE	Vanguard Investment Series plc - Vanguard U.K. Short-Term Investment Grade Bond Index Fund	99 - Other	Undertakings for Collective Investments in Transferable Securities	2 - Non-mutual		42.85%	42.85%	42.85%		2 - Significant	42.85%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/549300M4MJCGIS8FCS80	IE	Vanguard Investments Common Contractual Fund - Vanguard FTSE Developed Europe ex UK Common Contractual Fund	99 - Other	Undertakings for Collective Investments in Transferable Securities	2 - Non-mutual		97.13%	97.13%	97.13%		2 - Significant	97.13%	1 - Included in the scope		3 - Method 1: Adjusted equity method

Appendix 1 – Quantitative Reporting Templates (31 December 2024) – PGH Group continued

Appendix 1.7 – IR.32.01.22 Undertakings in the scope of the group continued

							Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
Identification code and type of code of the undertaking	Country	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	Yes/No	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking
C0020	C0010	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
LEI/549300FENS5YZP01TK60	IE	Vanguard Investments Common Contractual Fund - Vanguard FTSE Developed World Common Contractual Fund	99 - Other	Undertakings for Collective Investments in Transferable Securities	2 - Non-mutual		40.12%	40.12%	40.12%		2 - Significant	40.12%	1 - Included in the scope		3 - Method 1: Adjusted equity method
LEI/549300VBIONNT4SOOD38	IE	Vanguard Investments Common Contractual Fund - Vanguard FTSE Developed World ex UK Common Contractual Fund	99 - Other	Undertakings for Collective Investments in Transferable Securities	2 - Non-mutual		97.04%	97.04%	97.04%		2 - Significant	97.04%	1 - Included in the scope		3 - Method 1: Adjusted equity method
SC/923M5RA2I1X3IO5NGM14GB00024	GB	Vebnet (Holdings) Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
SC/923M5RA2I1X3IO5NGM14GB00019	GB	Vebnet Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method
SC/923M5RA2I1X3IO5NGM14GB00028	GB	Welbrent Property Investment Company Limited	99 - Other	Company limited by shares	2 - Non-mutual		100.00%	100.00%	100.00%		1 - Dominant	100.00%	1 - Included in the scope		3 - Method 1: Adjusted equity method

Appendix 2 – Quantitative Reporting Templates (31 December 2024) – PLL

Appendix 2.1 IR.02.01.02 Balance sheet

		Solvency II value
		C0010
Assets		
Goodwill	R0010	
Deferred acquisition costs	R0020	
Intangible assets	R0030	-
Deferred tax assets	R0040	22,775
Pension benefit surplus	R0050	-
Property, plant & equipment held for own use	R0060	8,300
Investments (other than assets held for index-linked and unit-linked contracts)	**R0070**	**71,123,325**
Property (other than for own use)	R0080	643,064
Holdings in related undertakings, including participations	R0090	28,217,723
Equities	R0100	481,100
Equities - listed	R0110	446,732
Equities - unlisted	R0120	34,368
Bonds	R0130	37,216,856
Government Bonds	R0140	21,073,517
Corporate Bonds	R0150	15,635,202
Structured notes	R0160	123,035
Collateralised securities	R0170	385,103
Collective Investments Undertakings	R0180	2,565,447
Derivatives	R0190	1,999,136
Deposits other than cash equivalents	R0200	-
Other investments	R0210	-
Assets held for index-linked and unit-linked contracts	R0220	124,119,040
Loans and mortgages	**R0230**	**5,575,459**
Loans on policies	R0240	7,210
Loans and mortgages to individuals	R0250	-
Other loans and mortgages	R0260	5,568,249
Reinsurance recoverables from:	**R0270**	**14,685,468**
Non-life and health similar to non-life	R0280	-
Life and health similar to life, excluding index-linked and unit-linked	R0315	4,949,249
Life index-linked and unit-linked	R0340	9,736,219
Deposits to cedants	R0350	-
Insurance and intermediaries receivables	R0360	266,661
Reinsurance receivables	R0370	78,460
Receivables (trade, not insurance)	R0380	2,449,642
Own shares (held directly)	R0390	-
Amounts due in respect of own fund items or initial fund called up but not yet paid in	R0400	-
Cash and cash equivalents	R0410	484,063
Any other assets, not elsewhere shown	R0420	-
Total assets	**R0500**	**218,813,193**

Appendix 2 – Quantitative Reporting Templates (31 December 2024) – PLL continued

Appendix 2.1 IR.02.01.02 Balance sheet continued

		Solvency II value
		C0010
Liabilities		
Technical provisions - total	**R0505**	**200,673,729**
Technical provisions - non-life	R0510	-
Technical provisions - life	R0515	200,673,729
Best estimate - total	R0542	201,268,696
Best estimate - non-life	R0544	-
Best estimate - life	R0546	201,268,696
Risk margin - total	R0552	576,704
Risk margin - non-life	R0554	-
Risk margin - life	R0556	576,704
Transitional (TMTP) - life	R0565	1,171,670
Other technical provisions	R0730	-
Contingent liabilities	R0740	-
Provisions other than technical provisions	R0750	31,830
Pension benefit obligations	R0760	-
Deposits from reinsurers	R0770	1,997,831
Deferred tax liabilities	R0780	1,127,659
Derivatives	R0790	3,324,778
Debts owed to credit institutions	R0800	676,984
Financial liabilities other than debts owed to credit institutions	R0810	106,903
Insurance & intermediaries payables	R0820	1,066,004
Reinsurance payables	R0830	131,627
Payables (trade, not insurance)	R0840	577,294
Subordinated liabilities	**R0850**	**-**
Subordinated liabilities not in Basic Own Funds	R0860	-
Subordinated liabilities in Basic Own Funds	R0870	-
Any other liabilities, not elsewhere shown	R0880	-
Total liabilities	**R0900**	**209,714,640**
Excess of assets over liabilities	**R1000**	**9,098,554**

Appendix 2 – Quantitative Reporting Templates (31 December 2024) – PLL continued

Appendix 2.2 – IR.05.02.01 Premiums, claims and expenses by country

Home Country - life obligations			**Top 5 countries (by amount of gross premiums written) - life obligations**	**Total Top 5 and home country - life obligations**
		Home country	Country (by amount of gross premiums written) - life obligations	Total Top 5 and home country
		C0220	C0230	C0280
Premiums written				
Gross	R1410	19,595,252	571,339	20,166,591
Reinsurers' share	R1420	2,774,105	10,868	2,784,973
Net	**R1500**	**16,821,147**	**560,471**	**17,381,618**
Premiums earned				
Gross	R1510	19,595,252	571,339	20,166,591
Reinsurers' share	R1520	2,774,105	10,868	2,784,973
Net	**R1600**	**16,821,147**	**560,471**	**17,381,618**
Claims incurred				
Gross	R1610	19,568,974	972,246	20,541,220
Reinsurers' share	R1620	3,281,380	72,191	3,353,571
Net	**R1700**	**16,287,594**	**900,055**	**17,187,649**
Net expenses incurred	**R1900**	**1,276,201**	**91,884**	**1,368,085**

Appendix 2 – Quantitative Reporting Templates (31 December 2024) – PLL continued

Appendix 2.3 – IR.05.03.02 Life income and expenditure

		Insurance with profit participation	Index-linked and unit-linked insurance	Life annuities	Non-life annuities	Other life insurance	Health insurance	Total life and health
		C0010	C0020	C0030	C0040	C0050	C0060	C0070
Premiums written								
Gross direct business	R0010	174,272	12,725,060	6,000,648	-	677,468	11,711	19,589,159
Gross reinsurance accepted	R0020	562,627	14,693	-	-	72	40	577,432
Gross	**R0030**	**736,899**	**12,739,753**	**6,000,648**	**-**	**677,540**	**11,751**	**20,166,591**
Reinsurers' share	R0040	1,509	643,515	1,657,423	-	478,141	4,386	2,784,973
Net	**R0050**	**735,391**	**12,096,238**	**4,343,225**	**-**	**199,399**	**7,365**	**17,381,618**
Claims incurred								
Gross direct business	R0110	2,599,160	13,645,884	2,166,218	-	1,080,041	19,226	19,510,528
Gross reinsurance accepted	R0120	936,451	73,300	13,713	-	6,051	1,177	1,030,692
Gross	**R0130**	**3,535,611**	**13,719,184**	**2,179,930**	**-**	**1,086,092**	**20,403**	**20,541,220**
Reinsurers' share	R0140	9,653	1,529,065	1,150,873	-	651,641	12,340	3,353,571
Net	**R0150**	**3,525,957**	**12,190,120**	**1,029,058**	**-**	**434,451**	**8,063**	**17,187,649**
Expenses incurred								
Gross direct business	R0160	220,304	604,341	160,526	-	290,060	4,557	1,279,788
Gross reinsurance accepted	R0170	67,645	20,650	-	-	3	-	88,297
Gross	**R0180**	**287,949**	**624,991**	**160,526**	**-**	**290,062**	**4,557**	**1,368,085**
Reinsurers' share	R0190	-	-	-	-	-	-	-
Net	**R0200**	**287,949**	**624,991**	**160,526**	**-**	**290,062**	**4,557**	**1,368,085**
Other expenses	R0300							-
Transfers and dividends								
Dividends paid	R0440							600,000

Appendix 2 – Quantitative Reporting Templates (31 December 2024) – PLL continued

Appendix 2.4 – IR.12.01.02 Life technical provisions

		Insurance with profit participation	**Index-linked and unit-linked insurance**	**Life annuities**	**Non-life annuities**	**Other life insurance**	**Health insurance**	**Total life and health**
		C0010	C0020	C0030	C0040	C0050	C0060	C0070
Best Estimate								
Gross Best Estimate (direct business)	R0025	23,281,709	131,180,980	34,391,680	-	912,075	47,862	**189,814,305**
Gross Best Estimate (reinsurance accepted)	R0026	10,559,984	634,815	176,773	-	48,458	34,361	**11,454,391**
Gross Best Estimate	R0030	33,841,692	131,815,795	34,568,453	-	960,533	82,223	**201,268,696**
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0080	827	9,736,219	4,810,550	-	86,715	51,157	**14,685,468**
Best estimate minus recoverables from reinsurance/SPV and Finite Re	R0090	33,840,865	122,079,576	29,757,903	-	873,818	31,066	**186,583,228**
Risk Margin	R0100	100,617	255,683	194,224	-	24,024	2,155	**576,704**
Amount of the transitional on Technical Provisions								
TMTP - risk margin	R0140	66,135	193,332	115,487	-	18,515	2,111	**395,582**
TMTP - best estimate dynamic component	R0150	-	-	-	-	-	-	**-**
TMTP - best estimate non-dynamic component	R0160	369,792	196,522	74,469	-	133,176	2,129	**776,089**
TMTP - amortisation adjustment	R0170	-	-	-	-	-	-	**-**
Transitional Measure on Technical Provisions	R0180	435,928	389,854	189,956	-	151,692	4,240	**1,171,670**
Technical provisions - total	R0200	33,506,382	131,681,624	34,572,721	-	832,865	80,138	**200,673,729**

Appendix 2 – Quantitative Reporting Templates (31 December 2024) – PLL continued

Appendix 2.5 – IR.22.01.21 Impact of long term guarantees measures and transitionals

			Impact of the LTG measures and transitionals (Step-by-step approach)			
		Amount with Long Term Guarantee measures and transitionals	Impact of transitional on technical provisions	Impact of transitional on interest rate	Impact of volatility adjustment set to zero	Impact of matching adjustment set to zero
		C0010	**C0030**	**C0050**	**C0070**	**C0090**
Technical provisions	R0010	200,673,729	1,171,670	-	-	3,763,918
Basic own funds	R0020	7,104,246	(663,373)	-	-	(2,860,076)
Eligible own funds to meet Solvency Capital Requirement	R0050	7,104,246	(663,373)	-	-	(2,860,076)
Solvency Capital Requirement	R0090	4,756,053	712	-	-	4,205,047
Eligible own funds to meet Minimum Capital Requirement	R0100	7,104,246	(663,373)	-	-	(2,860,076)
Minimum Capital Requirement	R0110	1,818,021	19,463	-	-	402,969

Appendix 2 – Quantitative Reporting Templates (31 December 2024) – PLL continued

Appendix 2.6 – IR.23.01.01 Own Funds

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Basic own funds						
Ordinary share capital (gross of own shares)	R0010	69,088	69,088		-	
Share premium account related to ordinary share capital	R0030	546	546		-	
Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	R0040	-	-		-	
Subordinated mutual member accounts	R0050	-		-	-	-
Surplus funds	R0070	3,529,939	3,529,939			
Preference shares	R0090	-		-	-	-
Share premium account related to preference shares	R0110	-		-	-	-
Reconciliation reserve	R0130	3,504,673	3,504,673			
Subordinated liabilities	R0140	-		-	-	-
An amount equal to the value of net deferred tax assets	R0160	-				-
Other own fund items approved by the supervisory authority as basic own funds not specified above	R0180	-	-	-	-	-
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds						
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds	R0220	-				
Total basic own funds	R0290	7,104,246	7,104,246	-	-	-
Ancillary own funds						
Unpaid and uncalled ordinary share capital callable on demand	R0300	-			-	
Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	R0310	-			-	
Unpaid and uncalled preference shares callable on demand	R0320	-			-	-
A legally binding commitment to subscribe and pay for subordinated liabilities on demand	R0330	-			-	-
Letters of credit and guarantees	R0340	-			-	
Letters of credit and guarantees other	R0350	-			-	
Supplementary members calls	R0360	-			-	
Supplementary members calls - other	R0370	-			-	-
Other ancillary own funds	R0390	-			-	-
Total ancillary own funds	R0400	-			-	-

Appendix 2 – Quantitative Reporting Templates (31 December 2024) – PLL continued

Appendix 2.6 – IR.23.01.01 Own Funds continued

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Available and eligible own funds						
Total available own funds to meet the SCR	**R0500**	**7,104,246**	7,104,246	-	-	-
Total available own funds to meet the MCR	**R0510**	**7,104,246**	7,104,246	-	-	
Total eligible own funds to meet the SCR	**R0540**	**7,104,246**	7,104,246	-	-	-
Total eligible own funds to meet the MCR	**R0550**	**7,104,246**	7,104,246	-	-	
SCR	**R0580**	**4,756,053**				
MCR	**R0600**	**1,818,021**				
Ratio of Eligible own funds to SCR	**R0620**	**149%**				
Ratio of Eligible own funds to MCR	**R0640**	**391%**				

IR.23.01.01.02

Reconciliation reserve

		C0060
Reconciliation reserve		
Excess of assets over liabilities	R0700	9,098,554
Own shares (held directly and indirectly)	R0710	-
Foreseeable dividends, distributions and charges	R0720	170,000
Deductions for participations in financial and credit institutions	R0725	-
Other basic own fund items	R0730	3,599,573
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	R0740	1,824,308
Reconciliation reserve	**R0760**	**3,504,673**

Appendix 2 – Quantitative Reporting Templates (31 December 2024) – PLL continued

Appendix 2.7 – IR.25.04.21 Solvency Capital Requirement

		C0010
Net of loss-absorbing capacity of technical provisions		
Market risk	**R0140**	**3,432,358**
Interest rate risk	R0070	809,213
Equity risk	R0080	834,730
Property risk	R0090	724,057
Spread risk	R0100	2,456,014
Concentration risk	R0110	-
Currency risk	R0120	329,132
Other market risk	R0125	340,081
Diversification within market risk	R0130	(2,060,868)
Counterparty default risk	**R0180**	**349,753**
Type 1 exposures	R0150	227,819
Type 2 exposures	R0160	121,934
Other counterparty risk	R0165	-
Diversification within counterparty default risk	R0170	-
Life underwriting risk	**R0270**	**2,455,777**
Mortality risk	R0190	329,308
Longevity risk	R0200	1,238,500
Disability-Morbidity risk	R0210	59,111
Life-expense risk	R0220	993,786
Revision risk	R0230	-
Lapse risk	R0240	1,654,832
Life catastrophe risk	R0250	-
Other life underwriting risk	R0255	-
Diversification within life underwriting risk	R0260	(1,819,760)
Total health underwriting risk	**R0320**	**-**
Health SLT risk	R0280	-
Health non SLT risk	R0290	-
Health catastrophe risk	R0300	-
Other health underwriting risk	R0305	-
Diversification within health underwriting risk	R0310	-
Non-life underwriting risk	**R0370**	**-**
Non-life premium and reserve risk (ex catastrophe risk)	R0330	-
Non-life catastrophe risk	R0340	-
Lapse risk	R0350	-
Other non-life underwriting risk	R0355	-
Diversification within non-life underwriting risk	R0360	-
Intangible asset risk	**R0400**	**-**
Operational and other risks	**R0430**	**906,973**
Operational risk	R0422	906,973
Other risks	R0424	-
Total before all diversification	**R0432**	**11,025,489**
Total before diversification between risk modules	**R0434**	**7,144,860**
Diversification between risk modules	R0436	(1,756,839)
Total after diversification	**R0438**	**5,388,022**
Loss-absorbing capacity of technical provisions	R0440	(1,419)
Loss-absorbing capacity of deferred taxes	R0450	(918,384)
Other adjustments	R0455	287,834
Solvency capital requirement including undisclosed capital add-on	**R0460**	**4,756,053**
Disclosed capital add-on - excluding residual model limitation	R0472	-
Disclosed capital add-on - residual model limitation	R0474	-
Solvency capital requirement including capital add-on	**R0480**	**4,756,053**
Biting interest rate scenario	R0490	Increase
Biting life lapse scenario	R0495	-

Appendix 2 – Quantitative Reporting Templates (31 December 2024) – PLL continued

Appendix 2.8 – IR.28.01.01 Minimum Capital Requirement - Only life or only non-life activity

Linear formula component for non-life insurance and reinsurance obligations

		C0010
MCRNL Result	R0010	-

Background information

		Background information	
		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
		C0020	C0030
Medical expense insurance and proportional reinsurance	R0020	-	-
Income protection insurance and proportional reinsurance	R0030	-	-
Workers' compensation insurance and proportional reinsurance	R0040	-	-
Motor vehicle liability insurance and proportional reinsurance	R0050	-	-
Other motor insurance and proportional reinsurance	R0060	-	-
Marine, aviation and transport insurance and proportional reinsurance	R0070	-	-
Fire and other damage to property insurance and proportional reinsurance	R0080	-	-
General liability insurance and proportional reinsurance	R0090	-	-
Credit and suretyship insurance and proportional reinsurance	R0100	-	-
Legal expenses insurance and proportional reinsurance	R0110	-	-
Assistance and proportional reinsurance	R0120	-	-
Miscellaneous financial loss insurance and proportional reinsurance	R0130	-	-
Non-proportional health reinsurance	R0140	-	-
Non-proportional casualty reinsurance	R0150	-	-
Non-proportional marine, aviation and transport reinsurance	R0160	-	-
Non-proportional property reinsurance	R0170	-	-

Linear formula component for life insurance and reinsurance obligations

		C0040
MCRL Result	R0200	1,818,021

Total capital at risk for all life (re)insurance obligations

		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance/SPV) total capital at risk
		C0050	C0060
Obligations with profit participation - guaranteed benefits	R0210	23,059,239	
Obligations with profit participation - future discretionary benefits	R0220	10,412,898	
Index-linked and unit-linked insurance obligations	R0230	121,883,054	
Other life (re)insurance and health (re)insurance obligations	R0240	30,451,948	
Total capital at risk for all life (re)insurance obligations	R0250		19,468,066

Overall MCR calculation

		C0070
Linear MCR	R0300	1,818,021
SCR	R0310	4,756,053
MCR cap	R0320	2,140,224
MCR floor	R0330	1,189,013
Combined MCR	R0340	1,818,021
Absolute floor of the MCR	R0350	3,500
Minimum Capital Requirement	**R0400**	**1,818,021**

Appendix 3 – Quantitative Reporting Templates (31 December 2024) – RAL

Appendix 3.1 IR.02.01.02 Balance sheet

		Solvency II value
		C0010
Assets		
Goodwill	R0010	
Deferred acquisition costs	R0020	
Intangible assets	R0030	-
Deferred tax assets	R0040	-
Pension benefit surplus	R0050	-
Property, plant & equipment held for own use	R0060	2,925
Investments (other than assets held for index-linked and unit-linked contracts)	**R0070**	**16,268,569**
Property (other than for own use)	R0080	307,002
Holdings in related undertakings, including participations	R0090	4,628,954
Equities	R0100	984,243
Equities - listed	R0110	984,243
Equities - unlisted	R0120	-
Bonds	R0130	7,530,997
Government Bonds	R0140	3,052,804
Corporate Bonds	R0150	4,469,571
Structured notes	R0160	5,551
Collateralised securities	R0170	3,071
Collective Investments Undertakings	R0180	2,684,616
Derivatives	R0190	132,756
Deposits other than cash equivalents	R0200	-
Other investments	R0210	-
Assets held for index-linked and unit-linked contracts	R0220	31,342,413
Loans and mortgages	**R0230**	**2,152,654**
Loans on policies	R0240	1,287
Loans and mortgages to individuals	R0250	-
Other loans and mortgages	R0260	2,151,367
Reinsurance recoverables from:	**R0270**	**199,508**
Non-life and health similar to non-life	R0280	-
Life and health similar to life, excluding index-linked and unit-linked	R0315	(168,146)
Life index-linked and unit-linked	R0340	367,654
Deposits to cedants	R0350	-
Insurance and intermediaries receivables	R0360	95,297
Reinsurance receivables	R0370	14,904
Receivables (trade, not insurance)	R0380	474,649
Own shares (held directly)	R0390	-
Amounts due in respect of own fund items or initial fund called up but not yet paid in	R0400	-
Cash and cash equivalents	R0410	64,772
Any other assets, not elsewhere shown	R0420	-
Total assets	**R0500**	**50,615,690**

Appendix 3.1 IR.02.01.02 Balance sheet continued

		Solvency II value
		C0010
Liabilities		
Technical provisions - total	**R0505**	**46,181,987**
Technical provisions - non-life	R0510	-
Technical provisions - life	R0515	46,181,987
Best estimate - total	R0542	46,255,586
Best estimate - non-life	R0544	-
Best estimate - life	R0546	46,255,586
Risk margin - total	R0552	181,251
Risk margin - non-life	R0554	-
Risk margin - life	R0556	181,251
Transitional (TMTP) - life	R0565	254,850
Other technical provisions	R0730	-
Contingent liabilities	R0740	-
Provisions other than technical provisions	R0750	2,867
Pension benefit obligations	R0760	-
Deposits from reinsurers	R0770	52,741
Deferred tax liabilities	R0780	430,719
Derivatives	R0790	275,100
Debts owed to credit institutions	R0800	84,076
Financial liabilities other than debts owed to credit institutions	R0810	242,935
Insurance & intermediaries payables	R0820	654,195
Reinsurance payables	R0830	44,148
Payables (trade, not insurance)	R0840	87,682
Subordinated liabilities	**R0850**	**-**
Subordinated liabilities not in Basic Own Funds	R0860	-
Subordinated liabilities in Basic Own Funds	R0870	-
Any other liabilities, not elsewhere shown	R0880	-
Total liabilities	**R0900**	**48,056,450**
Excess of assets over liabilities	**R1000**	**2,559,240**

Appendix 3.2 – IR.05.02.01 Premiums, claims and expenses by country

Home Country - life obligations

			Top 5 countries (by amount of gross premiums written) - life obligations	**Total Top 5 and home country - life obligations**
		Home country	Country (by amount of gross premiums written) - life obligations	Total Top 5 and home country
		C0220	C0230	C0280
Premiums written				
Gross	R1410	823,731	-	**823,731**
Reinsurers' share	R1420	540,533	-	**540,533**
Net	**R1500**	**283,198**	-	**283,198**
Premiums earned				
Gross	R1510	823,731	-	**823,731**
Reinsurers' share	R1520	540,533	-	**540,533**
Net	**R1600**	**283,198**	-	**283,198**
Claims incurred				
Gross	R1610	5,589,179	-	**5,589,179**
Reinsurers' share	R1620	564,358	-	**564,358**
Net	**R1700**	**5,024,821**	-	**5,024,821**
Net expenses incurred	**R1900**	**253,101**	-	**253,101**

Appendix 3 – Quantitative Reporting Templates (31 December 2024) – RAL continued

Appendix 3.3 – IR.05.03.02 Life income and expenditure

		Insurance with profit participation	Index-linked and unit-linked insurance	Life annuities	Non-life annuities	Other life insurance	Health insurance	Total life and health
		C0010	C0020	C0030	C0040	C0050	C0060	C0070
Premiums written								
Gross direct business	R0010	39,847	617,984	131,013	-	8,341	16,894	**814,079**
Gross reinsurance accepted	R0020	-	-	-	-	9,652	-	**9,652**
Gross	**R0030**	**39,847**	**617,984**	**131,013**	**-**	**17,993**	**16,894**	**823,731**
Reinsurers' share	R0040	-	-	540,518	-	-	15	**540,533**
Net	**R0050**	**39,847**	**617,984**	**(409,505)**	**-**	**17,993**	**16,879**	**283,198**
Claims incurred								
Gross direct business	R0110	975,035	3,596,006	960,994	-	36,301	15,605	**5,583,941**
Gross reinsurance accepted	R0120	1,648	3,481	-	-	-	109	**5,238**
Gross	**R0130**	**976,683**	**3,599,487**	**960,994**	**-**	**36,301**	**15,714**	**5,589,179**
Reinsurers' share	R0140	-	-	564,177	-	-	180	**564,358**
Net	**R0150**	**976,683**	**3,599,487**	**396,817**	**-**	**36,301**	**15,534**	**5,024,821**
Expenses incurred								
Gross direct business	R0160	37,710	89,283	11,939	-	110,762	3,408	**253,101**
Gross reinsurance accepted	R0170	-	-	-	-	-	-	**-**
Gross	**R0180**	**37,710**	**89,283**	**11,939**	**-**	**110,762**	**3,408**	**253,101**
Reinsurers' share	R0190	-	-	-	-	-	-	**-**
Net	**R0200**	**37,710**	**89,283**	**11,939**	**-**	**110,762**	**3,408**	**253,101**
Other expenses	R0300							-
Transfers and dividends								
Dividends paid	R0440							1,108,609

Appendix 3 – Quantitative Reporting Templates (31 December 2024) – RAL continued

Appendix 3.4 – IR.12.01.02 Life technical provisions

		Insurance with profit participation	Index-linked and unit-linked insurance	Life annuities	**Non-life annuities**	Other life insurance	Health insurance	**Total life and health**
		C0010	C0020	C0030	C0040	C0050	C0060	C0070
Best Estimate								
Gross Best Estimate (direct business)	R0025	7,388,076	30,956,154	6,576,628	-	1,275,098	82,855	**46,278,811**
Gross Best Estimate (reinsurance accepted)	R0026	34,260	(135,139)	-	-	79,518	(1,863)	**(23,225)**
Gross Best Estimate	R0030	7,422,336	30,821,015	6,576,628	-	1,354,616	80,992	**46,255,586**
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0080	3,520	367,654	(171,666)	-	-	-	**199,508**
Best estimate minus recoverables from reinsurance/SPV and Finite Re	R0090	7,418,815	30,453,360	6,748,294	-	1,354,616	80,992	**46,056,078**
Risk Margin	R0100	10,911	70,159	84,618	-	12,365	3,199	**181,251**
Amount of the transitional on Technical Provisions								
TMTP - risk margin	R0140	10,911	66,120	83,276	-	11,579	2,994	**174,880**
TMTP - best estimate dynamic component	R0150	-	-	-	-	-	-	**-**
TMTP - best estimate non-dynamic component	R0160	6,187	4,774	25,355	-	31,520	12,135	**79,969**
TMTP - amortisation adjustment	R0170	-	-	-	-	-	-	**-**
Transitional Measure on Technical Provisions	**R0180**	**17,098**	**70,894**	**108,631**	**-**	**43,099**	**15,129**	**254,850**
Technical provisions - total	**R0200**	**7,416,149**	**30,820,279**	**6,552,615**	**-**	**1,323,882**	**69,062**	**46,181,987**

Appendix and additional information continued

Appendix 3– Quantitative Reporting Templates (31 December 2024) – RAL continued

Appendix 3.5 – IR.22.01.21 Impact of long term guarantees measures and transitionals

			Impact of the LTG measures and transitionals (Step-by-step approach)			
		Amount with Long Term Guarantee measures and transitionals	Impact of transitional on technical provisions	Impact of transitional on interest rate	Impact of volatility adjustment set to zero	Impact of matching adjustment set to zero
		C0010	**C0030**	**C0050**	**C0070**	**C0090**
Technical provisions	R0010	46,181,987	254,850	-	18,055	591,449
Basic own funds	R0020	1,865,043	(172,183)	-	(12,912)	(446,979)
Eligible own funds to meet Solvency Capital Requirement	R0050	1,865,043	(172,183)	-	(12,912)	(446,979)
Solvency Capital Requirement	R0090	1,051,158	58,119	-	2,499	333,707
Eligible own funds to meet Minimum Capital Requirement	R0100	1,865,043	(172,183)	-	(12,912)	(446,979)
Minimum Capital Requirement	R0110	285,857	1,712	-	420	73,383

Appendix 3 – Quantitative Reporting Templates (31 December 2024) – RAL continued

Appendix 3.6 – IR.23.01.01 Own Funds

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Basic own funds						
Ordinary share capital (gross of own shares)	R0010	254,943	254,943		-	
Share premium account related to ordinary share capital	R0030	-	-		-	
Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	R0040	-	-		-	
Subordinated mutual member accounts	R0050					
Surplus funds	R0070	950,421	950,421			
Preference shares	R0090	-		-	-	-
Share premium account related to preference shares	R0110	-		-	-	-
Reconciliation reserve	R0130	659,679	659,679			
Subordinated liabilities	R0140	-		-	-	-
An amount equal to the value of net deferred tax assets	R0160	-				-
Other own fund items approved by the supervisory authority as basic own funds not specified above	R0180	-	-	-	-	-
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds						
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds	R0220					
Total basic own funds	R0290	1,865,043	1,865,043	-	-	-
Ancillary own funds						
Unpaid and uncalled ordinary share capital callable on demand	R0300	-			-	
Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	R0310	-			-	
Unpaid and uncalled preference shares callable on demand	R0320	-			-	
A legally binding commitment to subscribe and pay for subordinated liabilities on demand	R0330	-			-	
Letters of credit and guarantees	R0340	-			-	
Letters of credit and guarantees other	R0350	-			-	
Supplementary members calls	R0360	-			-	
Supplementary members calls - other	R0370	-			-	-
Other ancillary own funds	R0390	-			-	-
Total ancillary own funds	R0400	-			-	-

Appendix 3 – Quantitative Reporting Templates (31 December 2024) – RAL continued

Appendix 3.6 – IR.23.01.01 Own Funds continued

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Available and eligible own funds						
Total available own funds to meet the SCR	**R0500**	**1,865,043**	1,865,043	-	-	-
Total available own funds to meet the MCR	**R0510**	**1,865,043**	1,865,043	-	-	
Total eligible own funds to meet the SCR	**R0540**	**1,865,043**	1,865,043	-	-	-
Total eligible own funds to meet the MCR	**R0550**	**1,865,043**	1,865,043	-	-	
SCR	**R0580**	**1,051,158**				
MCR	**R0600**	**285,857**				
Ratio of Eligible own funds to SCR	**R0620**	**177.43%**				
Ratio of Eligible own funds to MCR	**R0640**	**652.44%**				

IR.23.01.01.02

Reconciliation reserve

		C0060
Reconciliation reserve		
Excess of assets over liabilities	R0700	2,559,240
Own shares (held directly and indirectly)	R0710	-
Foreseeable dividends, distributions and charges	R0720	-
Deductions for participations in financial and credit institutions	R0725	-
Other basic own fund items	R0730	1,205,364
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	R0740	694,197
Reconciliation reserve	**R0760**	**659,679**

Appendix 3 – Quantitative Reporting Templates (31 December 2024) – RAL continued

Appendix 3.7 – IR.25.04.21 Solvency Capital Requirement

		C0010
Net of loss-absorbing capacity of technical provisions		
Market risk	**R0140**	**738,319**
Interest rate risk	R0070	131,645
Equity risk	R0080	239,369
Property risk	R0090	17,913
Spread risk	R0100	431,497
Concentration risk	R0110	14,567
Currency risk	R0120	73,965
Other market risk	R0125	-
Diversification within market risk	R0130	(170,636)
Counterparty default risk	**R0180**	**21,780**
Type 1 exposures	R0150	21,780
Type 2 exposures	R0160	-
Other counterparty risk	R0165	-
Diversification within counterparty default risk	R0170	-
Life underwriting risk	**R0270**	**787,177**
Mortality risk	R0190	91,663
Longevity risk	R0200	263,877
Disability-Morbidity risk	R0210	-
Life-expense risk	R0220	51,605
Revision risk	R0230	-
Lapse risk	R0240	528,860
Life catastrophe risk	R0250	9,412
Other life underwriting risk	R0255	-
Diversification within life underwriting risk	R0260	(158,239)
Total health underwriting risk	**R0320**	**8,235**
Health SLT risk	R0280	8,235
Health non SLT risk	R0290	-
Health catastrophe risk	R0300	-
Other health underwriting risk	R0305	-
Diversification within health underwriting risk	R0310	-
Non-life underwriting risk	**R0370**	**-**
Non-life premium and reserve risk (ex catastrophe risk)	R0330	-
Non-life catastrophe risk	R0340	-
Lapse risk	R0350	-
Other non-life underwriting risk	R0355	-
Diversification within non-life underwriting risk	R0360	-
Intangible asset risk	**R0400**	**-**
Operational and other risks	R0430	98,712
Operational risk	R0422	98,712
Other risks	R0424	-
Total before all diversification	**R0432**	**1,983,099**
Total before diversification between risk modules	**R0434**	**1,654,223**
Diversification between risk modules	R0436	(304,397)
Total after diversification	**R0438**	**1,349,826**
Loss-absorbing capacity of technical provisions	R0440	-
Loss-absorbing capacity of deferred taxes	R0450	(298,668)
Other adjustments	R0455	-
Solvency capital requirement including undisclosed capital add-on	**R0460**	**1,051,158**
Disclosed capital add-on - excluding residual model limitation	R0472	-
Disclosed capital add-on - residual model limitation	R0474	-
Solvency capital requirement including capital add-on	**R0480**	**1,051,158**
Biting interest rate scenario	R0490	Increase
Biting life lapse scenario	R0495	Mass

Appendix 3 – Quantitative Reporting Templates (31 December 2024) – RAL continued

Appendix 3.8 – IR.28.01.01 Minimum Capital Requirement - Only life or only non-life activity

Linear formula component for non-life insurance and reinsurance obligations

		C0010
MCRNL Result	R0010	-

Background information

		Background information	
		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
		C0020	C0030
Medical expense insurance and proportional reinsurance	R0020	-	-
Income protection insurance and proportional reinsurance	R0030	-	-
Workers' compensation insurance and proportional reinsurance	R0040	-	-
Motor vehicle liability insurance and proportional reinsurance	R0050	-	-
Other motor insurance and proportional reinsurance	R0060	-	-
Marine, aviation and transport insurance and proportional reinsurance	R0070	-	-
Fire and other damage to property insurance and proportional reinsurance	R0080	-	-
General liability insurance and proportional reinsurance	R0090	-	-
Credit and suretyship insurance and proportional reinsurance	R0100	-	-
Legal expenses insurance and proportional reinsurance	R0110	-	-
Assistance and proportional reinsurance	R0120	-	-
Miscellaneous financial loss insurance and proportional reinsurance	R0130	-	-
Non-proportional health reinsurance	R0140	-	-
Non-proportional casualty reinsurance	R0150	-	-
Non-proportional marine, aviation and transport reinsurance	R0160	-	-
Non-proportional property reinsurance	R0170	-	-

Linear formula component for life insurance and reinsurance obligations

		C0040
MCRL Result	R0200	285,857

Total capital at risk for all life (re)insurance obligations

		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance/SPV) total capital at risk
		C0050	C0060
Obligations with profit participation - guaranteed benefits	R0210	3,157,155	
Obligations with profit participation - future discretionary benefits	R0220	4,255,474	
Index-linked and unit-linked insurance obligations	R0230	30,448,587	
Other life (re)insurance and health (re)insurance obligations	R0240	8,114,893	
Total capital at risk for all life (re)insurance obligations	R0250		9,676,819

Overall MCR calculation

		C0070
Linear MCR	R0300	285,857
SCR	R0310	1,051,158
MCR cap	R0320	473,021
MCR floor	R0330	262,789
Combined MCR	R0340	285,857
Absolute floor of the MCR	R0350	3,500
Minimum Capital Requirement	**R0400**	**285,857**

Appendix and additional information continued

Appendix 4 – Quantitative Reporting Templates (31 December 2024) – RLL

Appendix 4.1 IR.02.01.02 Balance sheet

		Solvency II value
		C0010
Assets		
Goodwill	R0010	
Deferred acquisition costs	R0020	
Intangible assets	R0030	-
Deferred tax assets	R0040	-
Pension benefit surplus	R0050	-
Property, plant & equipment held for own use	R0060	-
Investments (other than assets held for index-linked and unit-linked contracts)	**R0070**	**408,512**
Property (other than for own use)	R0080	-
Holdings in related undertakings, including participations	R0090	7
Equities	R0100	-
Equities - listed	R0110	-
Equities - unlisted	R0120	-
Bonds	R0130	51,234
Government Bonds	R0140	51,234
Corporate Bonds	R0150	-
Structured notes	R0160	-
Collateralised securities	R0170	-
Collective Investments Undertakings	R0180	357,271
Derivatives	R0190	-
Deposits other than cash equivalents	R0200	-
Other investments	R0210	-
Assets held for index-linked and unit-linked contracts	R0220	5,313,703
Loans and mortgages	**R0230**	**97,559**
Loans on policies	R0240	-
Loans and mortgages to individuals	R0250	-
Other loans and mortgages	R0260	97,559
Reinsurance recoverables from:	**R0270**	**182,516**
Non-life and health similar to non-life	R0280	-
Life and health similar to life, excluding index-linked and unit-linked	R0315	426,043
Life index-linked and unit-linked	R0340	(243,527)
Deposits to cedants	R0350	-
Insurance and intermediaries receivables	R0360	247
Reinsurance receivables	R0370	29,060
Receivables (trade, not insurance)	R0380	6,069
Own shares (held directly)	R0390	-
Amounts due in respect of own fund items or initial fund called up but not yet paid in	R0400	-
Cash and cash equivalents	R0410	4,572
Any other assets, not elsewhere shown	R0420	-
Total assets	**R0500**	**6,042,238**

Appendix 4 – Quantitative Reporting Templates (31 December 2024) – RLL continued

Appendix 4.1 IR.02.01.02 Balance sheet continued

		Solvency II value
		C0010
Liabilities		
Technical provisions - total	**R0505**	**5,441,474**
Technical provisions - non-life	R0510	-
Technical provisions - life	R0515	5,441,474
Best estimate - total	R0542	5,440,045
Best estimate - non-life	R0544	-
Best estimate - life	R0546	5,440,045
Risk margin - total	R0552	1,429
Risk margin - non-life	R0554	-
Risk margin - life	R0556	1,429
Transitional (TMTP) - life	R0565	-
Other technical provisions	R0730	
Contingent liabilities	R0740	-
Provisions other than technical provisions	R0750	422
Pension benefit obligations	R0760	-
Deposits from reinsurers	R0770	-
Deferred tax liabilities	R0780	62,110
Derivatives	R0790	-
Debts owed to credit institutions	R0800	3,868
Financial liabilities other than debts owed to credit institutions	R0810	7
Insurance & intermediaries payables	R0820	128,576
Reinsurance payables	R0830	134,406
Payables (trade, not insurance)	R0840	106,156
Subordinated liabilities	**R0850**	**-**
Subordinated liabilities not in Basic Own Funds	R0860	-
Subordinated liabilities in Basic Own Funds	R0870	-
Any other liabilities, not elsewhere shown	R0880	-
Total liabilities	**R0900**	**5,877,019**
Excess of assets over liabilities	**R1000**	**165,219**

Appendix 4 – Quantitative Reporting Templates (31 December 2024) – RLL continued

Appendix 4.2 – IR.05.02.01 Premiums, claims and expenses by country

Home Country - life obligations		Home country	Top 5 countries (by amount of gross premiums written) - life obligations	Total Top 5 and home country - life obligations
			Country (by amount of gross premiums written) - life obligations	Total Top 5 and home country
		C0220	C0230	C0280
Premiums written				
Gross	R1410	186,346	466	**186,812**
Reinsurers' share	R1420	94,268	-	**94,268**
Net	**R1500**	**92,077**	**466**	**92,543**
Premiums earned				
Gross	R1510	186,346	466	**186,812**
Reinsurers' share	R1520	94,268	-	**94,268**
Net	**R1600**	**92,077**	**466**	**92,543**
Claims incurred				
Gross	R1610	834,517	12,515	**847,033**
Reinsurers' share	R1620	36,392	-	**36,392**
Net	**R1700**	**798,126**	**12,515**	**810,641**
Net expenses incurred	**R1900**	**28,052**	**-**	**28,052**

Appendix 4 – Quantitative Reporting Templates (31 December 2024) – RLL continued

Appendix 4.3 – IR.05.03.02 Life income and expenditure

		Insurance with profit participation	Index-linked and unit-linked insurance	Life annuities	Non-life annuities	Other life insurance	Health insurance	Total life and health
		C0010	C0020	C0030	C0040	C0050	C0060	C0070
Premiums written								
Gross direct business	R0010	-	113,157	-	-	59,527	13,662	**186,346**
Gross reinsurance accepted	R0020	-	466	-	-	-	-	**466**
Gross	**R0030**	**-**	**113,623**	**-**	**-**	**59,527**	**13,662**	**186,812**
Reinsurers' share	R0040	-	52,003	-	-	31,280	10,986	**94,268**
Net	**R0050**	-	**61,620**	-	-	**28,247**	**2,676**	**92,543**
Claims incurred								
Gross direct business	R0110	-	781,392	261	-	40,654	12,211	**834,517**
Gross reinsurance accepted	R0120	-	11,986	-	-	121	408	**12,515**
Gross	**R0130**	**-**	**793,378**	**261**	**-**	**40,775**	**12,619**	**847,033**
Reinsurers' share	R0140	-	13,538	-	-	20,174	2,679	**36,392**
Net	**R0150**	**-**	**779,840**	**261**	**-**	**20,600**	**9,939**	**810,641**
Expenses incurred								
Gross direct business	R0160	-	16,241	-	-	11,742	68	**28,052**
Gross reinsurance accepted	R0170	-	-	-	-	-	-	-
Gross	**R0180**	**-**	**16,241**	**-**	**-**	**11,742**	**68**	**28,052**
Reinsurers' share	R0190	-	-	-	-	-	-	-
Net	**R0200**	**-**	**16,241**	**-**	**-**	**11,742**	**68**	**28,052**
Other expenses	R0300							-
Transfers and dividends								
Dividends paid	R0440							119,000

Appendix 4 – Quantitative Reporting Templates (31 December 2024) – RLL continued

Appendix 4.4 – IR.12.01.02 Life technical provisions

		Insurance with profit participation	Index-linked and unit-linked insurance	Life annuities	**Non-life annuities**	Other life insurance	Health insurance	**Total life and health**
		C0010	C0020	C0030	C0040	C0050	C0060	C0070
Best Estimate								
Gross Best Estimate (direct business)	R0025	-	4,888,435	-	-	430,593	(914)	**5,318,114**
Gross Best Estimate (reinsurance accepted)	R0026	-	121,931	-	-	-	-	**121,931**
Gross Best Estimate	R0030	-	-	-	-	-	-	-
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0080	-	(243,527)	-	-	430,593	(4,550)	**182,516**
Best estimate minus recoverables from reinsurance/SPV and Finite Re	R0090	-	5,253,893	-	-	-	3,636	**5,257,528**
Risk Margin	R0100	-	-	-	-	-	-	-
Amount of the transitional on Technical Provisions								
TMTP - risk margin	R0140	-	-	-	-	-	-	**-**
TMTP - best estimate dynamic component	R0150	-	-	-	-	-	-	**-**
TMTP - best estimate non-dynamic component	R0160	-	-	-	-	-	-	**-**
TMTP - amortisation adjustment	R0170	-	-	-	-	-	-	**-**
Transitional Measure on Technical Provisions	R0180							
Technical provisions - total	**R0200**	**-**	**5,011,751**	**-**	**-**	**430,593**	**(871)**	**5,441,474**

Appendix 4 – Quantitative Reporting Templates (31 December 2024) – RLL continued

Appendix 4.5 – IR.23.01.01 Own Funds

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Basic own funds						
Ordinary share capital (gross of own shares)	R0010	14,456	14,456		-	
Share premium account related to ordinary share capital	R0030	-	-		-	
Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	R0040	-	-		-	
Subordinated mutual member accounts	R0050			-	-	-
Surplus funds	R0070	-	-			
Preference shares	R0090	-		-	-	-
Share premium account related to preference shares	R0110	-		-	-	-
Reconciliation reserve	R0130	150,763	150,763			
Subordinated liabilities	R0140	-		-	-	-
An amount equal to the value of net deferred tax assets	R0160	-				-
Other own fund items approved by the supervisory authority as basic own funds not specified above	R0180	-	-	-	-	-
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds						
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds	R0220	-				
Total basic own funds	R0290	165,219	165,219	-	-	-
Ancillary own funds						
Unpaid and uncalled ordinary share capital callable on demand	R0300	-			-	
Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	R0310	-			-	
Unpaid and uncalled preference shares callable on demand	R0320	-			-	-
A legally binding commitment to subscribe and pay for subordinated liabilities on demand	R0330	-			-	-
Letters of credit and guarantees	R0340	-			-	
Letters of credit and guarantees other	R0350	-			-	
Supplementary members calls	R0360	-			-	
Supplementary members calls - other	R0370	-			-	-
Other ancillary own funds	R0390	-			-	-
Total ancillary own funds	R0400	-			-	-

Appendix 4 – Quantitative Reporting Templates (31 December 2024) – RLL continued

Appendix 4.5 – IR.23.01.01 Own Funds continued

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Available and eligible own funds						
Total available own funds to meet the SCR	**R0500**	**165,219**	165,219	-	-	
Total available own funds to meet the MCR	**R0510**	**165,219**	165,219	-	-	
Total eligible own funds to meet the SCR	**R0540**	**165,219**	165,219	-	-	
Total eligible own funds to meet the MCR	**R0550**	**165,219**	165,219	-	-	
SCR	**R0580**	**13,022**				
MCR	**R0600**	**5,860**				
Ratio of Eligible own funds to SCR	**R0620**	**1268.77%**				
Ratio of Eligible own funds to MCR	**R0640**	**2819.49%**				

IR.23.01.01.02

Reconciliation reserve

		C0060
Reconciliation reserve		
Excess of assets over liabilities	R0700	165,219
Own shares (held directly and indirectly)	R0710	-
Foreseeable dividends, distributions and charges	R0720	-
Deductions for participations in financial and credit institutions	R0725	-
Other basic own fund items	R0730	14,456
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	R0740	-
Reconciliation reserve	**R0760**	**150,763**

Appendix 4.6 – IR.25.04.21 Solvency Capital Requirement

		C0010
Net of loss-absorbing capacity of technical provisions		
Market risk	**R0140**	**8,570**
Interest rate risk	R0070	1,621
Equity risk	R0080	4,652
Property risk	R0090	-
Spread risk	R0100	4,343
Concentration risk	R0110	-
Currency risk	R0120	-
Other market risk	R0125	-
Diversification within market risk	R0130	(2,047)
Counterparty default risk	**R0180**	**1,075**
Type 1 exposures	R0150	74
Type 2 exposures	R0160	1,018
Other counterparty risk	R0165	-
Diversification within counterparty default risk	R0170	(17)
Life underwriting risk	**R0270**	**-**
Mortality risk	R0190	-
Longevity risk	R0200	-
Disability-Morbidity risk	R0210	-
Life-expense risk	R0220	-
Revision risk	R0230	-
Lapse risk	R0240	-
Life catastrophe risk	R0250	-
Other life underwriting risk	R0255	-
Diversification within life underwriting risk	R0260	-
Total health underwriting risk	**R0320**	**-**
Health SLT risk	R0280	-
Health non SLT risk	R0290	-
Health catastrophe risk	R0300	-
Other health underwriting risk	R0305	-
Diversification within health underwriting risk	R0310	-
Non-life underwriting risk	**R0370**	**-**
Non-life premium and reserve risk (ex catastrophe risk)	R0330	-
Non-life catastrophe risk	R0340	-
Lapse risk	R0350	-
Other non-life underwriting risk	R0355	-
Diversification within non-life underwriting risk	R0360	-
Intangible asset risk	**R0400**	**-**
Operational and other risks	**R0430**	**7,297**
Operational risk	R0422	7,297
Other risks	R0424	-
Total before all diversification	**R0432**	**19,007**
Total before diversification between risk modules	**R0434**	**16,942**
Diversification between risk modules	R0436	(745)
Total after diversification	**R0438**	**16,197**
Loss-absorbing capacity of technical provisions	R0440	-
Loss-absorbing capacity of deferred taxes	R0450	(3,175)
Other adjustments	R0455	-
Solvency capital requirement including undisclosed capital add-on	**R0460**	**13,022**
Disclosed capital add-on - excluding residual model limitation	R0472	-
Disclosed capital add-on - residual model limitation	R0474	-
Solvency capital requirement including capital add-on	**R0480**	**13,022**
Biting interest rate scenario	R0490	Increase
Biting life lapse scenario	R0495	Mass

Appendix 4 – Quantitative Reporting Templates (31 December 2024) – RLL continued

Appendix 4.7 – IR.28.01.01 Minimum Capital Requirement - Only life or only non-life activity

Linear formula component for non-life insurance and reinsurance obligations

		C0010
MCRNL Result	R0010	-

Background information

		Background information	
		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
		C0020	C0030
Medical expense insurance and proportional reinsurance	R0020	-	-
Income protection insurance and proportional reinsurance	R0030	-	-
Workers' compensation insurance and proportional reinsurance	R0040	-	-
Motor vehicle liability insurance and proportional reinsurance	R0050	-	-
Other motor insurance and proportional reinsurance	R0060	-	-
Marine, aviation and transport insurance and proportional reinsurance	R0070	-	-
Fire and other damage to property insurance and proportional reinsurance	R0080	-	-
General liability insurance and proportional reinsurance	R0090	-	-
Credit and suretyship insurance and proportional reinsurance	R0100	-	-
Legal expenses insurance and proportional reinsurance	R0110	-	-
Assistance and proportional reinsurance	R0120	-	-
Miscellaneous financial loss insurance and proportional reinsurance	R0130	-	-
Non-proportional health reinsurance	R0140	-	-
Non-proportional casualty reinsurance	R0150	-	-
Non-proportional marine, aviation and transport reinsurance	R0160	-	-
Non-proportional property reinsurance	R0170	-	-

Linear formula component for life insurance and reinsurance obligations

		C0040
MCRL Result	R0200	36,854

Total capital at risk for all life (re)insurance obligations

		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance/SPV) total capital at risk
		C0050	C0060
Obligations with profit participation - guaranteed benefits	R0210	-	
Obligations with profit participation - future discretionary benefits	R0220	-	
Index-linked and unit-linked insurance obligations	R0230	5,253,893	
Other life (re)insurance and health (re)insurance obligations	R0240	3,636	
Total capital at risk for all life (re)insurance obligations	R0250		-

Overall MCR calculation

		C0070
Linear MCR	R0300	36,854
SCR	R0310	13,022
MCR cap	R0320	5,860
MCR floor	R0330	3,255
Combined MCR	R0340	5,860
Absolute floor of the MCR	R0350	3,500
Minimum Capital Requirement	**R0400**	**5,860**

Appendix 5 – Quantitative Reporting Templates (31 December 2024) – PLCL

Appendix 5.1 IR.02.01.02 Balance sheet

		Solvency II value
		C0010
Assets		
Goodwill	R0010	
Deferred acquisition costs	R0020	
Intangible assets	R0030	-
Deferred tax assets	R0040	-
Pension benefit surplus	R0050	16,792
Property, plant & equipment held for own use	R0060	94
Investments (other than assets held for index-linked and unit-linked contracts)	**R0070**	**2,186,448**
Property (other than for own use)	R0080	23,747
Holdings in related undertakings, including participations	R0090	542
Equities	R0100	82,364
Equities - listed	R0110	82,364
Equities - unlisted	R0120	-
Bonds	R0130	2,048,220
Government Bonds	R0140	488,754
Corporate Bonds	R0150	1,550,914
Structured notes	R0160	6,693
Collateralised securities	R0170	1,859
Collective Investments Undertakings	R0180	5,092
Derivatives	R0190	16,897
Deposits other than cash equivalents	R0200	9,586
Other investments	R0210	-
Assets held for index-linked and unit-linked contracts	R0220	4,900,731
Loans and mortgages	**R0230**	**12,505**
Loans on policies	R0240	12,505
Loans and mortgages to individuals	R0250	-
Other loans and mortgages	R0260	-
Reinsurance recoverables from:	**R0270**	**1,370,622**
Non-life and health similar to non-life	R0280	-
Life and health similar to life, excluding index-linked and unit-linked	R0315	1,365,374
Life index-linked and unit-linked	R0340	5,248
osits to cedants	R0350	-
Insurance and intermediaries receivables	R0360	30
Reinsurance receivables	R0370	4,640
Receivables (trade, not insurance)	R0380	43,189
Own shares (held directly)	R0390	-
Amounts due in respect of own fund items or initial fund called up but not yet paid in	R0400	-
Cash and cash equivalents	R0410	8,417
Any other assets, not elsewhere shown	R0420	-
Total assets	**R0500**	**8,543,468**

Appendix 5 – Quantitative Reporting Templates (31 December 2024) – PLCL continued

Appendix 5.1 IR.02.01.02 Balance sheet continued

		Solvency II value
		C0010
Liabilities		
Technical provisions - total	**R0505**	**6,631,683**
Technical provisions - non-life	R0510	-
Technical provisions - life	R0515	6,631,683
Best estimate - total	R0542	6,613,119
Best estimate - non-life	R0544	-
Best estimate - life	R0546	6,613,119
Risk margin - total	R0552	18,564
Risk margin - non-life	R0554	-
Risk margin - life	R0556	18,564
Transitional (TMTP) - life	R0565	-
Other technical provisions	R0730	
Contingent liabilities	R0740	-
Provisions other than technical provisions	R0750	2,701
Pension benefit obligations	R0760	-
Deposits from reinsurers	R0770	1,460,338
Deferred tax liabilities	R0780	16,191
Derivatives	R0790	44,976
Debts owed to credit institutions	R0800	-
Financial liabilities other than debts owed to credit institutions	R0810	-
Insurance & intermediaries payables	R0820	70,374
Reinsurance payables	R0830	-
Payables (trade, not insurance)	R0840	19,656
Subordinated liabilities	**R0850**	**-**
Subordinated liabilities not in Basic Own Funds	R0860	-
Subordinated liabilities in Basic Own Funds	R0870	-
Any other liabilities, not elsewhere shown	R0880	-
Total liabilities	**R0900**	**8,245,919**
Excess of assets over liabilities	**R1000**	**297,549**

Appendix 5 – Quantitative Reporting Templates (31 December 2024) – PLCL continued

Appendix 5.2 – IR.05.02.01 Premiums, claims and expenses by country

Home Country - life obligations			**Top 5 countries (by amount of gross premiums written) - life obligations**	**Total Top 5 and home country - life obligations**
		Home country	Country (by amount of gross premiums written) - life obligations	Total Top 5 and home country
		C0220	C0230	C0280
Premiums written				
Gross	R1410	47,030	-	**47,030**
Reinsurers' share	R1420	9,928	-	**9,928**
Net	**R1500**	**37,102**	**-**	**37,102**
Premiums earned				
Gross	R1510	47,030	-	**47,030**
Reinsurers' share	R1520	9,928	-	**9,928**
Net	**R1600**	**37,102**	**-**	**37,102**
Claims incurred				
Gross	R1610	773,260	-	**773,260**
Reinsurers' share	R1620	146,321	-	**146,321**
Net	**R1700**	**626,939**	**-**	**626,939**
Net expenses incurred	**R1900**	**48,907**	**-**	**48,907**

Appendix 5 – Quantitative Reporting Templates (31 December 2024) – PLCL continued

Appendix 5.3 – IR.05.03.02 Life income and expenditure

		Insurance with profit participation	Index-linked and unit-linked insurance	Life annuities	Non-life annuities	Other life insurance	Health insurance	Total life and health
		C0010	C0020	C0030	C0040	C0050	C0060	C0070
Premiums written								
Gross direct business	R0010	1,802	41,855	191	-	3,182	-	**47,030**
Gross reinsurance accepted	R0020	-	-	-	-	-	-	**-**
Gross	**R0030**	**1,802**	**41,855**	**191**	**-**	**3,182**	**-**	**47,030**
Reinsurers' share	R0040	21	7,737	191	-	1,979	-	**9,928**
Net	**R0050**	**1,781**	**34,118**	**-**	**-**	**1,203**	**-**	**37,102**
Claims incurred								
Gross direct business	R0110	31,055	590,726	140,206	-	11,273	-	**773,260**
Gross reinsurance accepted	R0120	-	-	-	-	-	-	**-**
Gross	**R0130**	**31,055**	**590,726**	**140,206**	**-**	**11,273**	**-**	**773,260**
Reinsurers' share	R0140	4	4,965	140,228	-	1,124	-	**146,321**
Net	**R0150**	**31,051**	**585,761**	**(22)**	**-**	**10,149**	**-**	**626,939**
Expenses incurred								
Gross direct business	R0160	3,035	39,405	4,009	-	2,458	-	**48,907**
Gross reinsurance accepted	R0170	-	-	-	-	-	-	**-**
Gross	**R0180**	**3,035**	**39,405**	**4,009**	**-**	**2,458**	**-**	**48,907**
Reinsurers' share	R0190	-	-	-	-	-	-	**-**
Net	**R0200**	**3,035**	**39,405**	**4,009**	**-**	**2,458**	**-**	**48,907**
Other expenses	R0300							5,042
Transfers and dividends								
Dividends paid	R0440							45,000

Appendix 5 – Quantitative Reporting Templates (31 December 2024) – PLCL continued

Appendix 5.4 – IR.12.01.02 Life technical provisions

		Insurance with profit participation	Index-linked and unit-linked insurance	Life annuities	**Non-life annuities**	Other life insurance	Health insurance	**Total life and health**
		C0010	C0020	C0030	C0040	C0050	C0060	C0070
Best Estimate								
Gross Best Estimate (direct business)	R0025	265,466	4,902,053	1,344,577	-	100,037	-	**6,612,133**
Gross Best Estimate (reinsurance accepted)	R0026	-	-	-	-	986	-	**986**
Gross Best Estimate	**R0030**	**265,466**	**4,902,053**	**1,344,577**	**-**	**101,023**	**-**	**6,613,119**
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0080	-	5,248	1,357,103	-	8,271	-	**1,370,622**
Best estimate minus recoverables from reinsurance/SPV and Finite Re	R0090	265,466	4,896,805	(12,526)	-	92,752	-	**5,242,497**
Risk Margin	**R0100**	**249**	**15,897**	**2,145**	**-**	**273**	**-**	**18,564**
Amount of the transitional on Technical Provisions								
TMTP - risk margin	R0140	-	-	-	-	-	-	-
TMTP - best estimate dynamic component	R0150	-	-	-	-	-	-	-
TMTP - best estimate non-dynamic component	R0160	-	-	-	-	-	-	-
TMTP - amortisation adjustment	R0170	-	-	-	-	-	-	-
Transitional Measure on Technical Provisions	**R0180**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Technical provisions - total	**R0200**	**265,715**	**4,917,950**	**1,346,722**	**-**	**101,296**	**-**	**6,631,683**

Appendix 5 – Quantitative Reporting Templates (31 December 2024) – PLCL continued

Appendix 5.5 – IR.23.01.01 Own Funds

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Basic own funds						
Ordinary share capital (gross of own shares)	R0010	22,500	22,500		-	
Share premium account related to ordinary share capital	R0030	-	-		-	
Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	R0040	-	-		-	
Subordinated mutual member accounts	R0050	-		-	-	-
Surplus funds	R0070	-	-			
Preference shares	R0090	-		-	-	-
Share premium account related to preference shares	R0110	-		-	-	-
Reconciliation reserve	R0130	274,195	274,195			
Subordinated liabilities	R0140	-		-	-	-
An amount equal to the value of net deferred tax assets	R0160	-				-
Other own fund items approved by the supervisory authority as basic own funds not specified above	R0180	-	-	-	-	-
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds						
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds	R0220	-				
Total basic own funds	R0290	296,695	296,695	-	-	-
Ancillary own funds						
Unpaid and uncalled ordinary share capital callable on demand	R0300	-			-	
Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	R0310	-			-	
Unpaid and uncalled preference shares callable on demand	R0320	-			-	-
A legally binding commitment to subscribe and pay for subordinated liabilities on demand	R0330	-			-	-
Letters of credit and guarantees	R0340	-			-	
Letters of credit and guarantees other	R0350	-			-	-
Supplementary members calls	R0360	-			-	
Supplementary members calls - other	R0370	-			-	-
Other ancillary own funds	R0390	-			-	-
Total ancillary own funds	R0400	-			-	-

Appendix 5.5 – IR.23.01.01 Own Funds continued

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Available and eligible own funds						
Total available own funds to meet the SCR	**R0500**	**296,695**	296,695	-	-	-
Total available own funds to meet the MCR	**R0510**	**296,695**	296,695	-	-	
Total eligible own funds to meet the SCR	**R0540**	**296,695**	296,695	-	-	-
Total eligible own funds to meet the MCR	**R0550**	**296,695**	296,695	-	-	
SCR	**R0580**	**165,734**				
MCR	**R0600**	**41,433**				
Ratio of Eligible own funds to SCR	**R0620**	**179%**				
Ratio of Eligible own funds to MCR	**R0640**	**716%**				

IR.23.01.01.02

Reconciliation reserve

		C0060
Reconciliation reserve		
Excess of assets over liabilities	R0700	297,549
Own shares (held directly and indirectly)	R0710	-
Foreseeable dividends, distributions and charges	R0720	-
Deductions for participations in financial and credit institutions	R0725	-
Other basic own fund items	R0730	22,500
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	R0740	855
Reconciliation reserve	**R0760**	**274,195**

Appendix 5 – Quantitative Reporting Templates (31 December 2024) – PLCL continued

Appendix 5.6 – IR.25.04.21 Solvency Capital Requirement

		C0010
Net of loss-absorbing capacity of technical provisions		
Market risk	**R0140**	**69,075**
Interest rate risk	R0070	15,893
Equity risk	R0080	45,557
Property risk	R0090	2,721
Spread risk	R0100	13,804
Concentration risk	R0110	2,877
Currency risk	R0120	18,589
Other market risk	R0125	-
Diversification within market risk	R0130	(30,366)
Counterparty default risk	**R0180**	**1,871**
Type 1 exposures	R0150	1,871
Type 2 exposures	R0160	-
Other counterparty risk	R0165	-
Diversification within counterparty default risk	R0170	-
Life underwriting risk	**R0270**	**114,192**
Mortality risk	R0190	7,306
Longevity risk	R0200	19,884
Disability-Morbidity risk	R0210	4,439
Life-expense risk	R0220	38,564
Revision risk	R0230	-
Lapse risk	R0240	80,398
Life catastrophe risk	R0250	1,226
Other life underwriting risk	R0255	-
Diversification within life underwriting risk	R0260	(37,625)
Total health underwriting risk	**R0320**	**2,321**
Health SLT risk	R0280	-
Health non SLT risk	R0290	-
Health catastrophe risk	R0300	2,321
Other health underwriting risk	R0305	-
Diversification within health underwriting risk	R0310	-
Non-life underwriting risk	**R0370**	**-**
Non-life premium and reserve risk (ex catastrophe risk)	R0330	-
Non-life catastrophe risk	R0340	-
Lapse risk	R0350	-
Other non-life underwriting risk	R0355	-
Diversification within non-life underwriting risk	R0360	-
Intangible asset risk	**R0400**	**-**
Operational and other risks	**R0430**	**16,904**
Operational risk	R0422	16,904
Other risks	R0424	-
Total before all diversification	**R0432**	**272,354**
Total before diversification between risk modules	**R0434**	**204,363**
Diversification between risk modules	R0436	(38,629)
Total after diversification	**R0438**	**165,734**
Loss-absorbing capacity of technical provisions	R0440	-
Loss-absorbing capacity of deferred taxes	R0450	-
Other adjustments	R0455	-
Solvency capital requirement including undisclosed capital add-on	**R0460**	**165,734**
Disclosed capital add-on - excluding residual model limitation	R0472	-
Disclosed capital add-on - residual model limitation	R0474	-
Solvency capital requirement including capital add-on	**R0480**	**165,734**
Biting interest rate scenario	R0490	increase
Biting life lapse scenario	R0495	Mass

Appendix 5 – Quantitative Reporting Templates (31 December 2024) – PLCL continued

Appendix 5.7 – IR.28.01.01 Minimum Capital Requirement - Only life or only non-life activity

Linear formula component for non-life insurance and reinsurance obligations

		C0010
MCRNL Result	R0010	-

Background information

		Background information	
		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
		C0020	C0030
Medical expense insurance and proportional reinsurance	R0020	-	-
Income protection insurance and proportional reinsurance	R0030	-	-
Workers' compensation insurance and proportional reinsurance	R0040	-	-
Motor vehicle liability insurance and proportional reinsurance	R0050	-	-
Other motor insurance and proportional reinsurance	R0060	-	-
Marine, aviation and transport insurance and proportional reinsurance	R0070	-	-
Fire and other damage to property insurance and proportional reinsurance	R0080	-	-
General liability insurance and proportional reinsurance	R0090	-	-
Credit and suretyship insurance and proportional reinsurance	R0100	-	-
Legal expenses insurance and proportional reinsurance	R0110	-	-
Assistance and proportional reinsurance	R0120	-	-
Miscellaneous financial loss insurance and proportional reinsurance	R0130	-	-
Non-proportional health reinsurance	R0140	-	-
Non-proportional casualty reinsurance	R0150	-	-
Non-proportional marine, aviation and transport reinsurance	R0160	-	-
Non-proportional property reinsurance	R0170	-	-

Linear formula component for life insurance and reinsurance obligations

		C0040
MCRL Result	R0200	38,233

Total capital at risk for all life (re)insurance obligations

		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance/SPV) total capital at risk
		C0050	C0060
Obligations with profit participation - guaranteed benefits	R0210	173,799	
Obligations with profit participation - future discretionary benefits	R0220	91,667	
Index-linked and unit-linked insurance obligations	R0230	4,896,805	
Other life (re)insurance and health (re)insurance obligations	R0240	80,226	
Total capital at risk for all life (re)insurance obligations	R0250		867,093

Overall MCR calculation

		C0070
Linear MCR	R0300	38,233
SCR	R0310	165,734
MCR cap	R0320	74,580
MCR floor	R0330	41,433
Combined MCR	R0340	41,433
Absolute floor of the MCR	R0350	3,500
Minimum Capital Requirement	**R0400**	**41,433**

Appendix 6 – Quantitative Reporting Templates (31 December 2024) – SLAL

Appendix 6.1 IR.02.01.02 Balance sheet

		Solvency II value
		C0010
Assets		
Goodwill	R0010	
Deferred acquisition costs	R0020	
Intangible assets	R0030	-
Deferred tax assets	R0040	-
Pension benefit surplus	R0050	-
Property, plant & equipment held for own use	R0060	-
Investments (other than assets held for index-linked and unit-linked contracts)	**R0070**	**4,253**
Property (other than for own use)	R0080	-
Holdings in related undertakings, including participations	R0090	-
Equities	R0100	-
Equities - listed	R0110	-
Equities - unlisted	R0120	-
Bonds	R0130	-
Government Bonds	R0140	-
Corporate Bonds	R0150	-
Structured notes	R0160	-
Collateralised securities	R0170	-
Collective Investments Undertakings	R0180	4,253
Derivatives	R0190	-
Deposits other than cash equivalents	R0200	-
Other investments	R0210	-
Assets held for index-linked and unit-linked contracts	R0220	-
Loans and mortgages	**R0230**	**-**
Loans on policies	R0240	-
Loans and mortgages to individuals	R0250	-
Other loans and mortgages	R0260	-
Reinsurance recoverables from:	**R0270**	**250**
Non-life and health similar to non-life	R0280	-
Life and health similar to life, excluding index-linked and unit-linked	R0315	-
Life index-linked and unit-linked	R0340	250
Deposits to cedants	R0350	-
Insurance and intermediaries receivables	R0360	-
Reinsurance receivables	R0370	-
Receivables (trade, not insurance)	R0380	17
Own shares (held directly)	R0390	-
Amounts due in respect of own fund items or initial fund called up but not yet paid in	R0400	-
Cash and cash equivalents	R0410	2
Any other assets, not elsewhere shown	R0420	-
Total assets	**R0500**	**4,522**

Appendix 6 – Quantitative Reporting Templates (31 December 2024) – SLAL continued

Appendix 6.1 IR.02.01.02 Balance sheet continued

		Solvency II value
		C0010
Liabilities		
Technical provisions - total	R0505	250
Technical provisions - non-life	R0510	-
Technical provisions - life	R0515	250
Best estimate - total	R0542	250
Best estimate - non-life	R0544	-
Best estimate - life	R0546	250
Risk margin - total	R0552	-
Risk margin - non-life	R0554	-
Risk margin - life	R0556	-
Transitional (TMTP) - life	R0565	-
Other technical provisions	R0730	
Contingent liabilities	R0740	-
Provisions other than technical provisions	R0750	-
Pension benefit obligations	R0760	-
Deposits from reinsurers	R0770	-
Deferred tax liabilities	R0780	-
Derivatives	R0790	-
Debts owed to credit institutions	R0800	-
Financial liabilities other than debts owed to credit institutions	R0810	-
Insurance & intermediaries payables	R0820	-
Reinsurance payables	R0830	-
Payables (trade, not insurance)	R0840	81
Subordinated liabilities	R0850	-
Subordinated liabilities not in Basic Own Funds	R0860	-
Subordinated liabilities in Basic Own Funds	R0870	-
Any other liabilities, not elsewhere shown	R0880	-
Total liabilities	**R0900**	**331**
Excess of assets over liabilities	**R1000**	**4,191**

Appendix 6 – Quantitative Reporting Templates (31 December 2024) – SLAL continued

Appendix 6.2 – IR.12.01.02 Life technical provisions

		Insurance with profit participation	Index-linked and unit-linked insurance	Life annuities	**Non-life annuities**	Other life insurance	Health insurance	**Total life and health**
		C0010	C0020	C0030	C0040	C0050	C0060	C0070
Best Estimate								
Gross Best Estimate (direct business)	R0025	-	250	-	-	-	-	**250**
Gross Best Estimate (reinsurance accepted)	R0026	-	-	-	-	-	-	-
Gross Best Estimate	**R0030**	**-**	**250**	**-**	**-**	**-**	**-**	**250**
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0080	-	250	-	-	-	-	**250**
Best estimate minus recoverables from reinsurance/SPV and Finite Re	R0090	-	-	-	-	-	-	-
Risk Margin	R0100	-	-	-	-	-	-	-
Amount of the transitional on Technical Provisions								
TMTP - risk margin	R0140	-	-	-	-	-	-	-
TMTP - best estimate dynamic component	R0150	-	-	-	-	-	-	-
TMTP - best estimate non-dynamic component	R0160	-	-	-	-	-	-	-
TMTP - amortisation adjustment	R0170	-	-	-	-	-	-	-
Transitional Measure on Technical Provisions	**R0180**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Technical provisions - total	**R0200**	**-**	**250**	**-**	**-**	**-**	**-**	**250**

Appendix 6 – Quantitative Reporting Templates (31 December 2024) – SLAL continued

Appendix 6.3 – IR.23.01.01 Own Funds

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Basic own funds						
Ordinary share capital (gross of own shares)	R0010	29,684	29,684		-	
Share premium account related to ordinary share capital	R0030	117,219	117,219		-	
Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	R0040	-	-		-	
Subordinated mutual member accounts	R0050	-		-	-	-
Surplus funds	R0070	-				
Preference shares	R0090	-		-	-	-
Share premium account related to preference shares	R0110	-		-	-	-
Reconciliation reserve	R0130	(142,713)	(142,713)			
Subordinated liabilities	R0140	-		-	-	-
An amount equal to the value of net deferred tax assets	R0160	-				-
Other own fund items approved by the supervisory authority as basic own funds not specified above	R0180	-	-	-	-	-
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds						
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds	R0220	-				
Total basic own funds	R0290	4,191	4,191	-	-	-
Ancillary own funds						
Unpaid and uncalled ordinary share capital callable on demand	R0300	-			-	
Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	R0310	-			-	
Unpaid and uncalled preference shares callable on demand	R0320	-			-	-
A legally binding commitment to subscribe and pay for subordinated liabilities on demand	R0330	-			-	-
Letters of credit and guarantees	R0340	-			-	
Letters of credit and guarantees other	R0350	-			-	-
Supplementary members calls	R0360	-			-	
Supplementary members calls - other	R0370	-			-	-
Other ancillary own funds	R0390	-			-	-
Total ancillary own funds	R0400	-			-	-

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Available and eligible own funds						
Total available own funds to meet the SCR	**R0500**	**4,191**	4,191	-	-	-
Total available own funds to meet the MCR	**R0510**	**4,191**	4,191	-	-	
Total eligible own funds to meet the SCR	**R0540**	**4,191**	4,191	-	-	-
Total eligible own funds to meet the MCR	**R0550**	**4,191**	4,191	-	-	
SCR	**R0580**	**-**				
MCR	**R0600**	**3,500**				
Ratio of Eligible own funds to SCR	**R0620**	**-**				
Ratio of Eligible own funds to MCR	**R0640**	**119.73%**				

IR.23.01.01.02
Reconciliation reserve

		C0060
Reconciliation reserve		
Excess of assets over liabilities	R0700	4,191
Own shares (held directly and indirectly)	R0710	-
Foreseeable dividends, distributions and charges	R0720	-
Deductions for participations in financial and credit institutions	R0725	-
Other basic own fund items	R0730	146,903
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	R0740	-
Reconciliation reserve	**R0760**	**(142,713)**

Appendix 6 – Quantitative Reporting Templates (31 December 2024) – SLAL continued

Appendix 6.4 – IR.28.01.01 Minimum Capital Requirement - Only life or only non-life activity

Linear formula component for non-life insurance and reinsurance obligations

		C0010
MCRNL Result	R0010	-

Background information

		Background information	
		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
		C0020	C0030
Medical expense insurance and proportional reinsurance	R0020	-	-
Income protection insurance and proportional reinsurance	R0030	-	-
Workers' compensation insurance and proportional reinsurance	R0040	-	-
Motor vehicle liability insurance and proportional reinsurance	R0050	-	-
Other motor insurance and proportional reinsurance	R0060	-	-
Marine, aviation and transport insurance and proportional reinsurance	R0070	-	-
Fire and other damage to property insurance and proportional reinsurance	R0080	-	-
General liability insurance and proportional reinsurance	R0090	-	-
Credit and suretyship insurance and proportional reinsurance	R0100	-	-
Legal expenses insurance and proportional reinsurance	R0110	-	-
Assistance and proportional reinsurance	R0120	-	-
Miscellaneous financial loss insurance and proportional reinsurance	R0130	-	-
Non-proportional health reinsurance	R0140	-	-
Non-proportional casualty reinsurance	R0150	-	-
Non-proportional marine, aviation and transport reinsurance	R0160	-	-
Non-proportional property reinsurance	R0170	-	-

Linear formula component for life insurance and reinsurance obligations

		C0040
MCRL Result	R0200	-

Total capital at risk for all life (re)insurance obligations

		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance/SPV) total capital at risk
		C0050	C0060
Obligations with profit participation - guaranteed benefits	R0210	-	
Obligations with profit participation - future discretionary benefits	R0220	-	
Index-linked and unit-linked insurance obligations	R0230	-	
Other life (re)insurance and health (re)insurance obligations	R0240	-	
Total capital at risk for all life (re)insurance obligations	R0250		

Overall MCR calculation

		C0070
Linear MCR	R0300	-
SCR	R0310	-
MCR cap	R0320	-
MCR floor	R0330	-
Combined MCR	R0340	-
Absolute floor of the MCR	R0350	3,500
Minimum Capital Requirement	**R0400**	**3,500**

Appendix 7 – Quantitative Reporting Templates (31 December 2024) – PA(GI)

Appendix 7.1 IR.02.01.02 Balance sheet

		Solvency II value
		C0010
Assets		
Goodwill	R0010	
Deferred acquisition costs	R0020	
Intangible assets	R0030	-
Deferred tax assets	R0040	-
Pension benefit surplus	R0050	-
Property, plant & equipment held for own use	R0060	-
Investments (other than assets held for index-linked and unit-linked contracts)	**R0070**	**4,454**
Property (other than for own use)	R0080	-
Holdings in related undertakings, including participations	R0090	-
Equities	R0100	-
Equities - listed	R0110	-
Equities - unlisted	R0120	-
Bonds	R0130	-
Government Bonds	R0140	-
Corporate Bonds	R0150	-
Structured notes	R0160	-
Collateralised securities	R0170	-
Collective Investments Undertakings	R0180	4,454
Derivatives	R0190	-
Deposits other than cash equivalents	R0200	-
Other investments	R0210	-
Assets held for index-linked and unit-linked contracts	R0220	-
Loans and mortgages	**R0230**	**-**
Loans on policies	R0240	-
Loans and mortgages to individuals	R0250	-
Other loans and mortgages	R0260	-
Reinsurance recoverables from:	**R0270**	**-**
Non-life and health similar to non-life	R0280	-
Life and health similar to life, excluding index-linked and unit-linked	R0315	-
Life index-linked and unit-linked	R0340	-
Deposits to cedants	R0350	-
Insurance and intermediaries receivables	R0360	-
Reinsurance receivables	R0370	-
Receivables (trade, not insurance)	R0380	16,170
Own shares (held directly)	R0390	-
Amounts due in respect of own fund items or initial fund called up but not yet paid in	R0400	-
Cash and cash equivalents	R0410	50
Any other assets, not elsewhere shown	R0420	-
Total assets	**R0500**	**20,674**

Appendix 7 – Quantitative Reporting Templates (31 December 2024) – PA(GI) continued

Appendix 7.1 IR.02.01.02 Balance sheet continued

		Solvency II value
		C0010
Liabilities		
Technical provisions - total	**R0505**	**-**
Technical provisions - non-life	R0510	-
Technical provisions - life	R0515	-
Best estimate - total	R0542	-
Best estimate - non-life	R0544	-
Best estimate - life	R0546	-
Risk margin - total	R0552	-
Risk margin - non-life	R0554	-
Risk margin - life	R0556	-
Transitional (TMTP) - life	R0565	-
Other technical provisions	R0730	-
Contingent liabilities	R0740	-
Provisions other than technical provisions	R0750	1,596
Pension benefit obligations	R0760	-
Deposits from reinsurers	R0770	-
Deferred tax liabilities	R0780	-
Derivatives	R0790	-
Debts owed to credit institutions	R0800	-
Financial liabilities other than debts owed to credit institutions	R0810	-
Insurance & intermediaries payables	R0820	-
Reinsurance payables	R0830	-
Payables (trade, not insurance)	R0840	8,517
Subordinated liabilities	**R0850**	**-**
Subordinated liabilities not in Basic Own Funds	R0860	-
Subordinated liabilities in Basic Own Funds	R0870	-
Any other liabilities, not elsewhere shown	R0880	-
Total liabilities	**R0900**	**10,113**
Excess of assets over liabilities	**R1000**	**10,561**

Appendix 7 – Quantitative Reporting Templates (31 December 2024) – PA(GI) continued

Appendix 7.2 – IR.23.01.01 Own Funds

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Basic own funds						
Ordinary share capital (gross of own shares)	R0010	3,000	3,000		-	
Share premium account related to ordinary share capital	R0030	-	-		-	
Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	R0040	-	-		-	
Subordinated mutual member accounts	R0050	-		-	-	-
Surplus funds	R0070	-	-			
Preference shares	R0090	-		-	-	-
Share premium account related to preference shares	R0110	-		-	-	-
Reconciliation reserve	R0130	7,561	7,561			
Subordinated liabilities	R0140	-		-	-	-
An amount equal to the value of net deferred tax assets	R0160	-				-
Other own fund items approved by the supervisory authority as basic own funds not specified above	R0180	-	-	-	-	-
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds						
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds	R0220	-				
Total basic own funds	R0290	10,561	10,561	-	-	-
Ancillary own funds						
Unpaid and uncalled ordinary share capital callable on demand	R0300	-			-	
Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	R0310	-			-	
Unpaid and uncalled preference shares callable on demand	R0320	-			-	-
A legally binding commitment to subscribe and pay for subordinated liabilities on demand	R0330	-			-	-
Letters of credit and guarantees	R0340	-			-	
Letters of credit and guarantees other	R0350	-			-	-
Supplementary members calls	R0360	-			-	
Supplementary members calls - other	R0370	-			-	-
Other ancillary own funds	R0390	-			-	-
Total ancillary own funds	R0400	-			-	-

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Available and eligible own funds						
Total available own funds to meet the SCR	**R0500**	**10,561**	10,561	-	-	-
Total available own funds to meet the MCR	**R0510**	**10,561**	10,561	-	-	
Total eligible own funds to meet the SCR	**R0540**	**10,561**	10,561	-	-	-
Total eligible own funds to meet the MCR	**R0550**	**10,561**	10,561	-	-	
SCR	**R0580**	**9,746**				
MCR	**R0600**	**3,500**				
Ratio of Eligible own funds to SCR	**R0620**	**108.36%**				
Ratio of Eligible own funds to MCR	**R0640**	**301.74%**				

IR.23.01.01.02

Reconciliation reserve

		C0060
Reconciliation reserve		
Excess of assets over liabilities	R0700	10,561
Own shares (held directly and indirectly)	R0710	-
Foreseeable dividends, distributions and charges	R0720	-
Deductions for participations in financial and credit institutions	R0725	-
Other basic own fund items	R0730	3,000
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	R0740	-
Reconciliation reserve	**R0760**	**7,561**

Appendix 7 – Quantitative Reporting Templates (31 December 2024) – PA(GI) continued

Appendix 7.3 – IR.25.04.21 Solvency Capital Requirement

		C0010
Net of loss-absorbing capacity of technical provisions		
Market risk	**R0140**	**-**
Interest rate risk	R0070	-
Equity risk	R0080	-
Property risk	R0090	-
Spread risk	R0100	-
Concentration risk	R0110	-
Currency risk	R0120	-
Other market risk	R0125	-
Diversification within market risk	R0130	-
Counterparty default risk	**R0180**	**-**
Type 1 exposures	R0150	-
Type 2 exposures	R0160	-
Other counterparty risk	R0165	-
Diversification within counterparty default risk	R0170	-
Life underwriting risk	**R0270**	**-**
Mortality risk	R0190	-
Longevity risk	R0200	-
Disability-Morbidity risk	R0210	-
Life-expense risk	R0220	-
Revision risk	R0230	-
Lapse risk	R0240	-
Life catastrophe risk	R0250	-
Other life underwriting risk	R0255	-
Diversification within life underwriting risk	R0260	-
Total health underwriting risk	**R0320**	**-**
Health SLT risk	R0280	-
Health non SLT risk	R0290	-
Health catastrophe risk	R0300	-
Other health underwriting risk	R0305	-
Diversification within health underwriting risk	R0310	-
Non-life underwriting risk	**R0370**	**-**
Non-life premium and reserve risk (ex catastrophe risk)	R0330	-
Non-life catastrophe risk	R0340	-
Lapse risk	R0350	-
Other non-life underwriting risk	R0355	-
Diversification within non-life underwriting risk	R0360	-
Intangible asset risk	**R0400**	**-**
Operational and other risks	**R0430**	**9,746**
Operational risk	R0422	9,746
Other risks	R0424	-
Total before all diversification	**R0432**	**9,746**
Total before diversification between risk modules	**R0434**	**9,746**
Diversification between risk modules	R0436	-
Total after diversification	**R0438**	**9,746**
Loss-absorbing capacity of technical provisions	R0440	-
Loss-absorbing capacity of deferred taxes	R0450	-
Other adjustments	R0455	-
Solvency capital requirement including undisclosed capital add-on	**R0460**	**9,746**
Disclosed capital add-on - excluding residual model limitation	R0472	-
Disclosed capital add-on - residual model limitation	R0474	-
Solvency capital requirement including capital add-on	**R0480**	**9,746**
Biting interest rate scenario	R0490	-
Biting life lapse scenario	R0495	-

Appendix 7 – Quantitative Reporting Templates (31 December 2024) – PA(GI) continued

Appendix 7.4 – IR.28.01.01 Minimum Capital Requirement - Only life or only non-life activity

Linear formula component for non-life insurance and reinsurance obligations

		C0010
MCRNL Result	R0010	-

Background information

		Background information	
		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
		C0020	C0030
Medical expense insurance and proportional reinsurance	R0020	-	-
Income protection insurance and proportional reinsurance	R0030	-	-
Workers' compensation insurance and proportional reinsurance	R0040	-	-
Motor vehicle liability insurance and proportional reinsurance	R0050	-	-
Other motor insurance and proportional reinsurance	R0060	-	-
Marine, aviation and transport insurance and proportional reinsurance	R0070	-	-
Fire and other damage to property insurance and proportional reinsurance	R0080	-	-
General liability insurance and proportional reinsurance	R0090	-	-
Credit and suretyship insurance and proportional reinsurance	R0100	-	-
Legal expenses insurance and proportional reinsurance	R0110	-	-
Assistance and proportional reinsurance	R0120	-	-
Miscellaneous financial loss insurance and proportional reinsurance	R0130	-	-
Non-proportional health reinsurance	R0140	-	-
Non-proportional casualty reinsurance	R0150	-	-
Non-proportional marine, aviation and transport reinsurance	R0160	-	-
Non-proportional property reinsurance	R0170	-	-

Linear formula component for life insurance and reinsurance obligations

		C0040
MCRL Result	R0200	-

Total capital at risk for all life (re)insurance obligations

		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance/SPV) total capital at risk
		C0050	C0060
Obligations with profit participation - guaranteed benefits	R0210	-	
Obligations with profit participation - future discretionary benefits	R0220	-	
Index-linked and unit-linked insurance obligations	R0230	-	
Other life (re)insurance and health (re)insurance obligations	R0240	-	
Total capital at risk for all life (re)insurance obligations	R0250		-

Overall MCR calculation

		C0070
Linear MCR	R0300	-
SCR	R0310	9,746
MCR cap	R0320	4,386
MCR floor	R0330	2,437
Combined MCR	R0340	2,437
Absolute floor of the MCR	R0350	3,500
Minimum Capital Requirement	**R0400**	**3,500**