Phoenix

Full year 2024 results

Phoenix Group Holdings plc

17 March 2025

Standard Life
Part of Phoenix Group

SunLife
Part of Phoenix Group

PHOENIX LIFE
Part of Phoenix Group

ReAssure
Part of Phoenix Group

Agenda

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

2 **Delivering on our financial framework**
Nicolaos Nicandrou, Group Chief Financial Officer

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

Executing on our 3-year strategy

Andy Briggs
Group Chief Executive Officer

Phoenix

2024 financial performance driving upgrades to 3-year targets

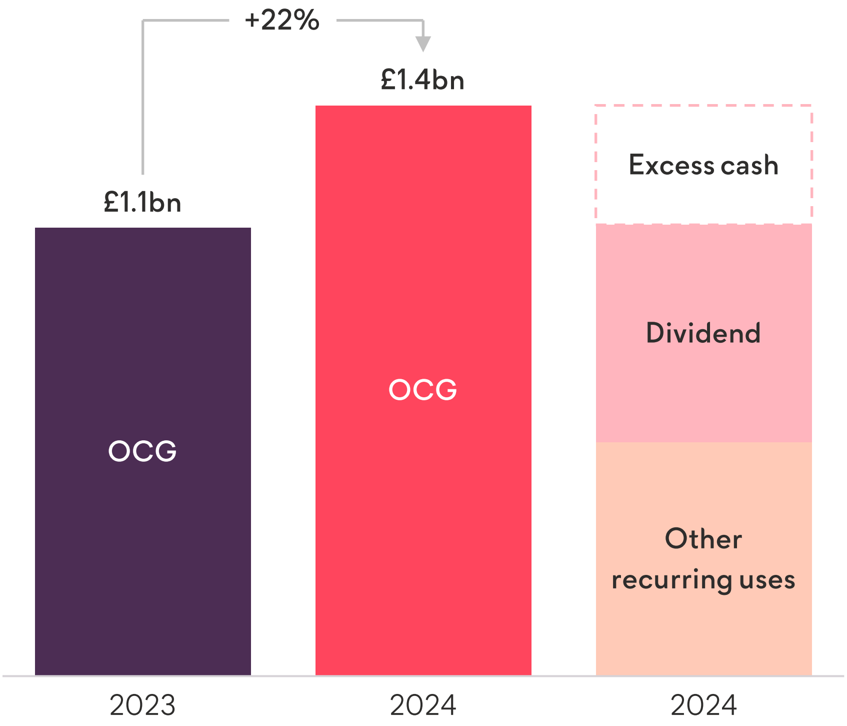
FY24 progress		Our 3-year targets	
Cash	£1,403 million Operating Cash Generation 'OCG' £1,779 million Total cash generation 'TCG'	Upgraded	• Achieved OCG target 2 years early – expected to grow at mid-single digit % going forward • 2024-2026 TCG target upgraded from £4.4bn to £5.1bn
Capital	172%[1,2] Shareholder Capital Coverage Ratio 'SCCR' 36%[3] Solvency II leverage ratio	Reaffirmed	• 140-180% SCCR operating range • c.30%[3] Solvency II leverage ratio target by end of 2026
Earnings	£825 million IFRS adjusted operating profit £63 million Run-rate cost savings	Upgraded	• 2026 IFRS adjusted operating profit target upgraded from £900m to c.£1.1bn • £250m of cost savings target by end of 2026 reaffirmed

2024 dividend growth of +2.6%, with a Final dividend per share of 27.35p[4] (FY23: 26.65p)

See Appendix 20 for footnotes

Achieved our 2026 £1.4bn Operating Cash Generation target two years early

Sustainable and growing OCG more than covers recurring uses…



…building financial strength and flexibility

- ✓ Progressive and sustainable dividend well covered and secure[4]
- ✓ c.£300m p.a. excess cash to deploy with a focus on deleveraging
- ✓ Expect mid-single digit % OCG growth going forward

See Appendix 20 for footnotes

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

Digital customer interface with personalised data, guidance and advice

Pensions and Savings

Innovative retirement income solutions

Retirement Solutions

Asset and fund performance optimised by Phoenix Asset Management

Efficient Group-wide operating model

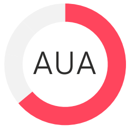
We deliver this by investing in our strategy to Grow, Optimise and Enhance

Helping people secure a life of possibilities is a huge market opportunity

	Pensions and Savings			Retirement Solutions	
Our customer solutions	Workplace pensions	Retail		Annuities	
		Direct	Intermediated	Individual annuities	Bulk Purchase Annuities
Annual market flows	£70-80bn[5]	£100-120bn[6]		£7-9bn[7]	£40-60bn[8]
Our gross flows	c.£9bn	c.£5bn		c.£1bn	c.£5bn
Ambition	Maintain Top 3	Move from Top 10 to Top 5[9]		Maintain Top 5[10]	
Strategy	Retaining existing schemes and winning new schemes	Existing customers stay and consolidate	Attracting new customers through innovative propositions	Disciplined capital deployment and ongoing proposition development	

See Appendix 20 for footnotes

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

£187bn 

Our capital-light fee-based Pensions and Savings business

Workplace – £67bn AUA

Why we win	What enables this
Leading employer proposition	• Award-winning Master Trust • Sustainable fund solutions with Sustainability Disclosure Requirement labelling
Excellent customer service	• Leading digital first member engagement • Gold awards in FTRC Benefits Guru pension rating
Competitive pricing	• Ongoing migration to cost efficient admin platform

Retail – £120bn AUA

Why we win	What enables this
Standard Life brand	• 1-in-5 UK adults a customer of the Group • Personalised engagement leading improved retention and consolidation
Products that meet evolving needs	• Launched Standard Life Smoothed Return Pension Fund • Launched Future Growth Capital
Great digital experience	• 'How much will I need in retirement' digital tool • 'Raindrop' pension finder tool

Strong financial performance

Growing our assets, with average AUA **+11%** vs 2023…

…and enhancing our operating margin, up 5bps to **17bps** in 2024…

£316m
+66% vs FY23

…drives growing IFRS adjusted operating profit

Our Retirement Solutions help customers secure income certainty in retirement

£40bn


Our capital-utilising spread-based Retirement Solutions business

BPA

Why we win	What enables this
Excellent member experience	• Deep customer engagement across several channels • Digital self-service platform
Leading employer proposition	• Comprehensive buy-in and buy-out capabilities • Full suite of de-risking propositions
Competitive pricing	• Growing in-house asset origination capabilities • Expanding panel of reinsurance partnerships

Individual annuities

Why we win	What enables this
Fast, guaranteed pricing	• Digital annuity quotes with 90% provided in seconds
Products that meet evolving needs	• Expanding product range with launch of the Standard Life Guaranteed Fixed-term Income product
Great digital experience	• Launch of annuity desk for Standard Life customers

† Post Capital Management Policy

Strong financial performance

£6.1bn premiums, taking AUA to £40bn…

…with annuity capital strain reduced to **c.3%**†

+14%
Group CSM growth

£474m
+25% vs FY23 IFRS adjusted operating profit

Phoenix Asset Management drives value through recurring management actions and better outcomes for customers

Invested in building strong in-house expertise…

People
- ✓ >400 FTE in 2024 from <50 FTE in 2020
- ✓ High quality, experienced investment talent

In-housing and partnering
- ✓ All Strategic Asset Allocation in house
- ✓ Aberdeen a key strategic partner
- ✓ Best-in-class partners
- ✓ Increasingly managing shareholder fixed income in house

Tech and risk management
- ✓ Leading edge technology
- ✓ Diligent and focused credit risk management embedded

…to support delivery across the business

Pensions and Savings
- Innovative investment propositions for customers
- Better customer returns, including access to private assets
- Delivering fund simplification

Retirement Solutions
- Sourcing differentiated annuity-backing assets, enhancing risk adjusted returns
- Enables competitive pricing and reduced new business strain
- Delivering portfolio re-optimisation and capital improvements

Successfully executing on our 3-year strategy

We are delivering profitable growth through Pensions and Savings and Retirement Solutions

We are on track to deliver upgraded 2026 targets across our financial framework of cash, capital and earnings

We are deleveraging and will grow our balance sheet over time

Delivering on our strategy supports strong shareholder returns enabled by our progressive and sustainable ordinary dividend policy[(4)]

See Appendix 20 for footnotes

Delivering on our financial framework

Nicolaos Nicandrou
Group Chief Financial Officer

Phoenix

Uplift in financial performance in 2024

Cash Capital Earnings

Cash

Operating Cash Generation

£1,403m

FY23: £1,146m

Total cash generation

£1,779m

FY23: £2,024m

Capital

Shareholder Capital Coverage Ratio[1,2]

172%

FY23: 176%

Solvency II leverage ratio[3]

36%

FY23: 36%

Earnings

IFRS adjusted operating profit

£825m

FY23: £629m[11]

IFRS loss after tax

£(1,078)m

FY23: £84m profit after tax[11]

IFRS adjusted shareholders' equity £3,656m (FY23: £4,882m[11] restated)

2024 Final dividend growth of 2.6% to 27.35p, with a Total dividend per share of 54.00p[4] (2023: 52.65p)

See Appendix 20 for footnotes

Target upgrades driven by outperformance and increased confidence in delivery

Cash | Capital | Earnings

Upgraded targets

Operating Cash Generation

£1.4bn
Achieved 2026 target in FY24

Mid-single digit % growth going forward

Total cash generation

£4.4bn
Prior target across 2024-2026

£5.1bn
New target across 2024-2026

£700m increase in target

IFRS adjusted operating profit

£900m
Prior FY26 target

c.£1.1bn
New FY26 target

c.£200m increase in FY26 target

Reaffirmed targets

Solvency II leverage ratio[(3)]

c.30%
FY26 target

36% Solvency II leverage ratio at FY24

Investment spend

c.£700m
Cumulative 2024-2026, centrally funded

c.£350m investment spend in FY24

Cost savings

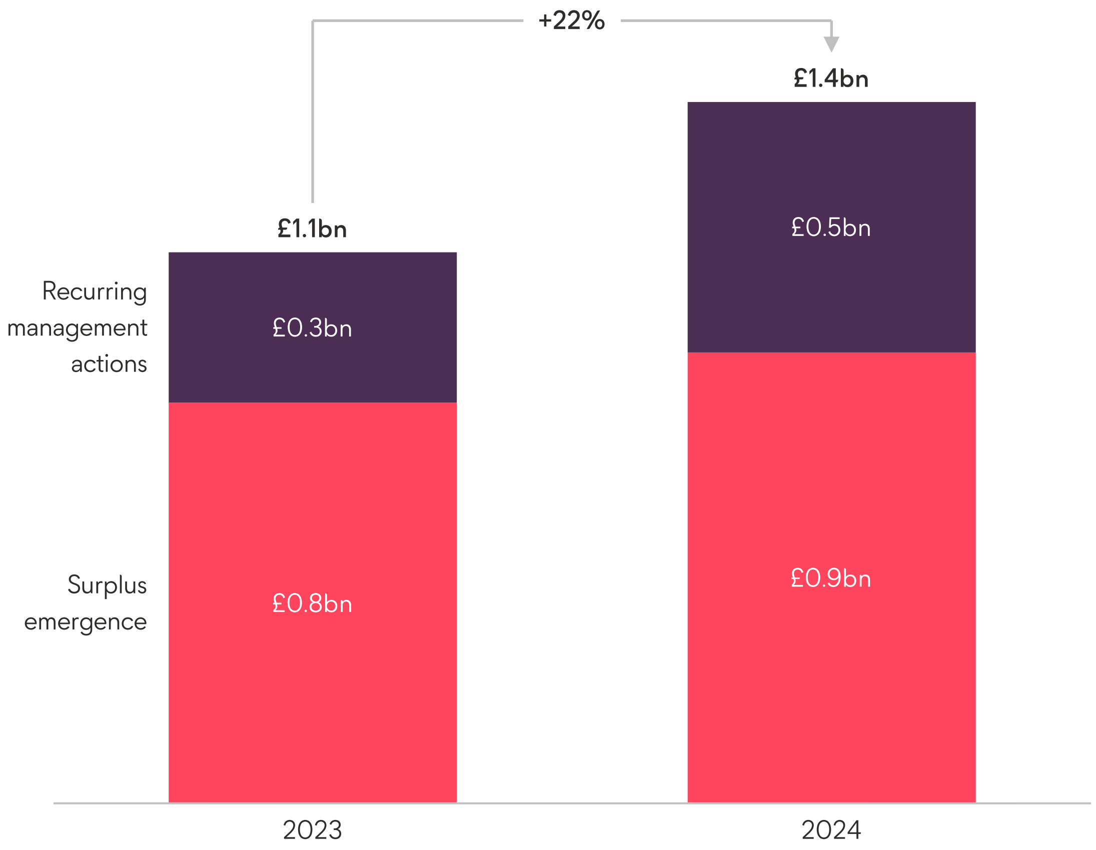
£250m
FY26 run-rate target vs FY23 cost base

£63m run-rate cost savings in FY24

See Appendix 20 for footnotes

£1.4bn Operating Cash Generation target achieved ahead of plan

Cash Capital Earnings



- 22% increase in OCG, supported by business momentum and growth in recurring management actions
- Expect mid-single digit % growth in OCG going forward
- Indicative business unit contribution includes:
  - c.£0.85bn from Retirement Solutions
  - c.£0.35bn from Pensions and Savings
- Full segmental disclosure and driver analysis to be provided in 2025

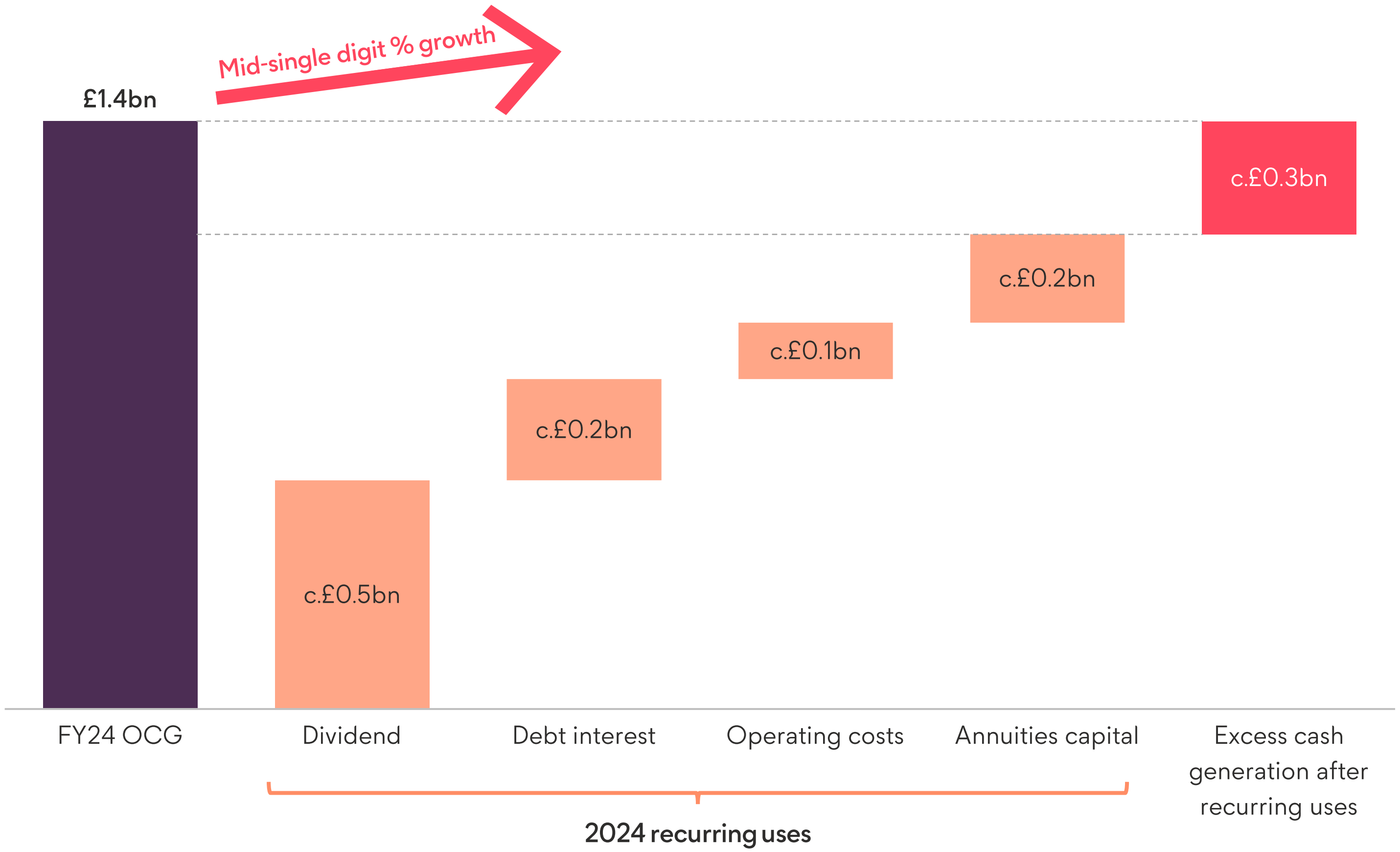
£537m recurring management actions delivered ahead of plan

Cash | Capital | Earnings

	Annuity portfolio re-optimisation	Capital improvements	Fund simplification
What we do	• Evolve our annuity backing assets whilst staying cashflow and maturity matched	• Improve our capital and balance sheet modelling as investment universe evolves	• Increase efficiency of fund management expense as asset base grows
How we do it	• Outperform new business pricing • Optimise relative value within corporate and government bond portfolios	• Enrich asset data and calculation granularity enabling greater accuracy of risk calibration	• Fee reviews of investment management agreements • Reduce number of funds
FY24 delivery	£323m (FY23: £141m)	£92m (FY23: £100m)	£122m (FY23: £72m)

£1.4bn Operating Cash Generation creates c.£0.3bn of excess cash

Cash Capital Earnings



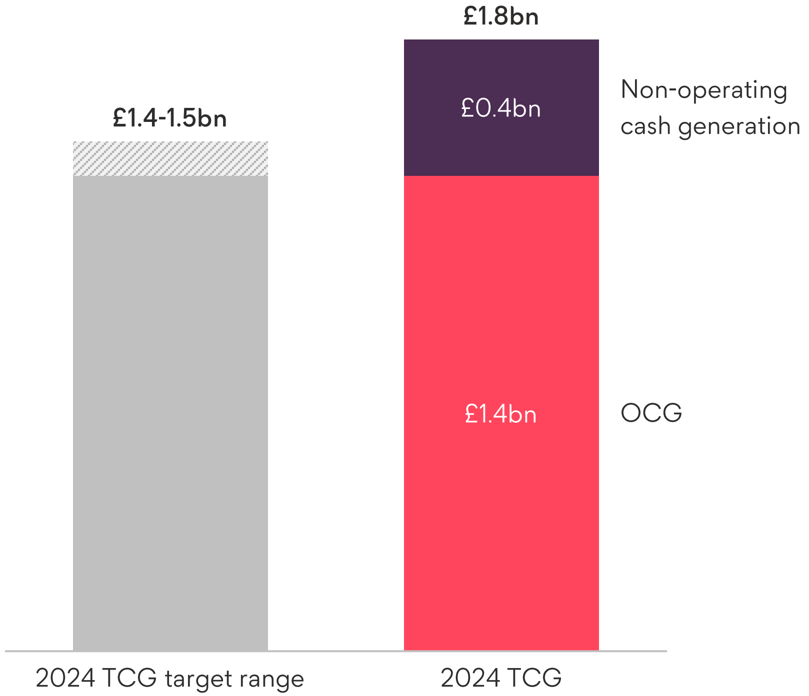
- Business model set to deliver excess OCG after:
  - c.£0.7bn to service dividend and debt interest costs
  - c.£0.2bn p.a. allocation to annuities
- Excess to be deployed in line with our capital allocation framework with a focus on deleveraging

Note: The chart above does not sum due to rounding.

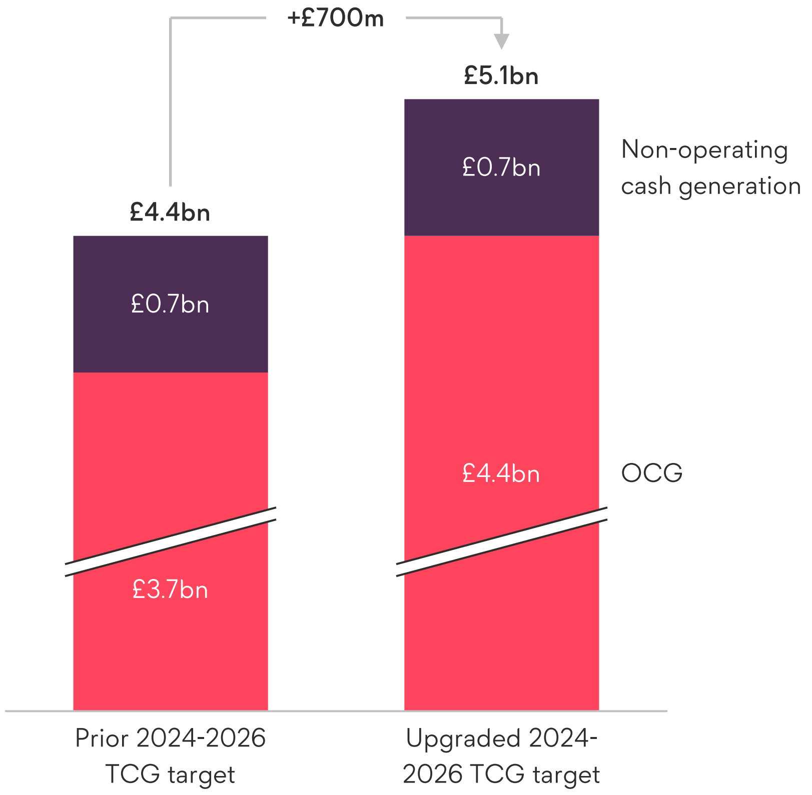
Higher annual Operating Cash Generation drives £700m upgrade in 3-year total cash generation target

Cash Capital Earnings

Delivered TCG ahead of our FY24 target…



…supporting our upgraded 2024-2026 TCG target



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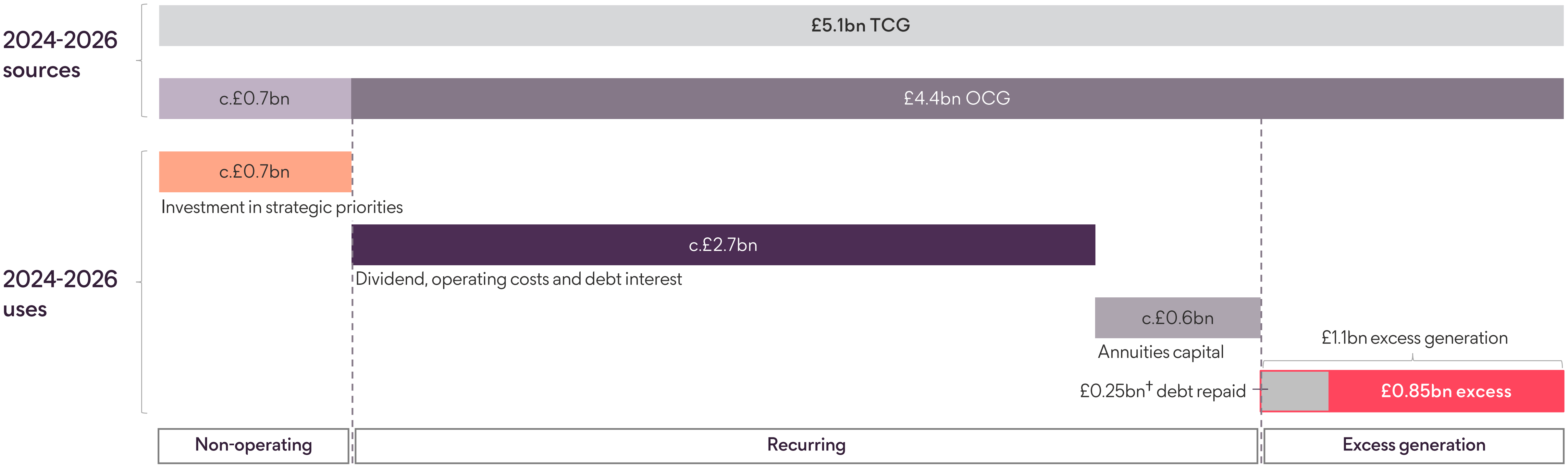
£5.1bn total cash generation gives substantial flexibility to address leverage over 2024-2026 period

Cash Capital Earnings



Capital allocation approach:

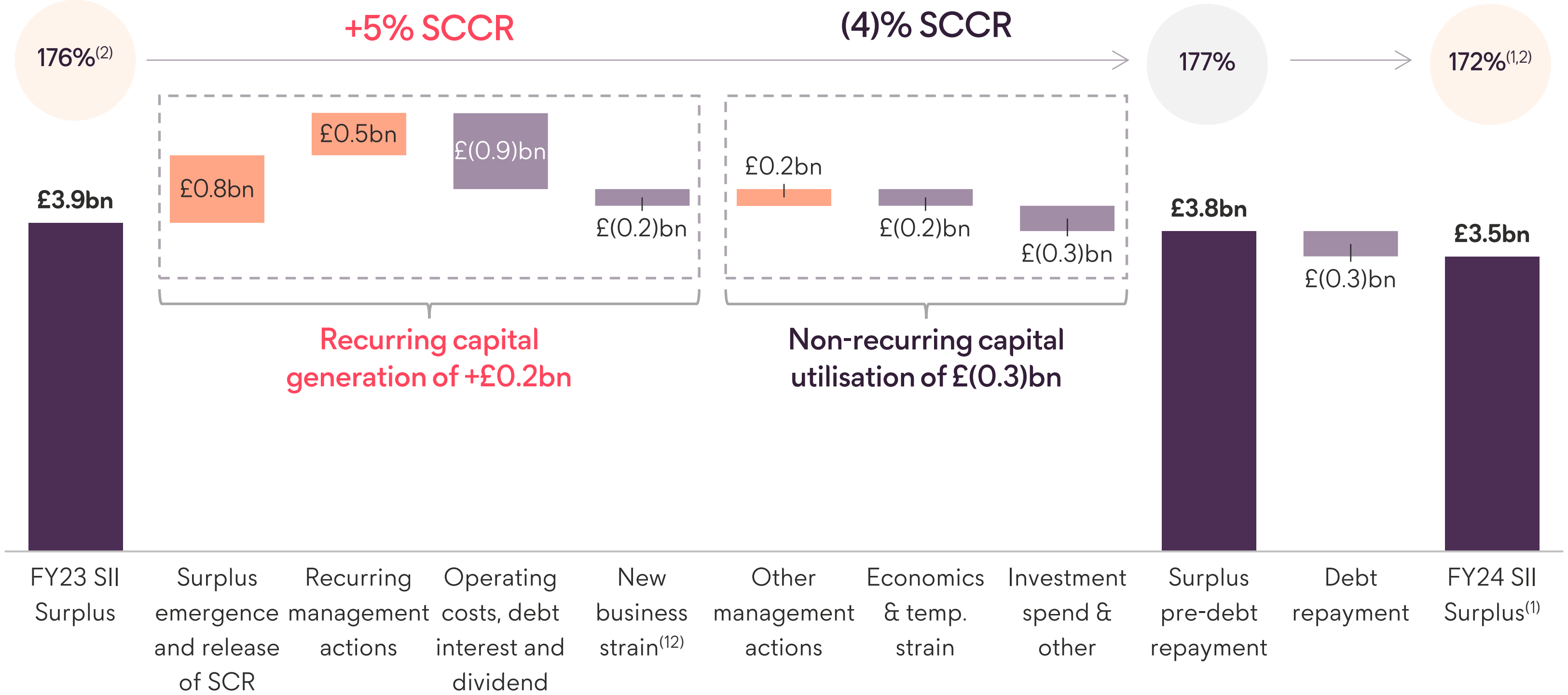
Allocate surplus capital to the highest return opportunities

- Deleveraging to c.30%(3) SII target
- Investment into growth
- M&A
- Share buybacks

† Reflects net £250m debt redemption in June 2024, excludes $250m repayment in February 2025

Positive recurring capital generation with utilisation focused on deleveraging

Cash Capital Earnings



Recurring Own Funds of c.£0.3bn

Non-recurring Own Funds of c.£(0.5)bn

Shareholder Own Funds	£8.9bn	£0.7bn	£0.4bn	£(0.9)bn	£0.1bn	£0.1bn	£(0.3)bn	£(0.3)bn	£8.7bn	£(0.3)bn	£8.4bn
SCR	£5.0bn	£(0.1)bn	£(0.1)bn	-	£0.3bn	£(0.1)bn	£(0.1)bn	-	£4.9bn	-	£4.9bn

See Appendix 20 for footnotes

- Contribution from recurring items:
  - Surplus: £0.2bn
  - Own Funds: £0.3bn
- Contribution from non-recurring items:
  - £0.1bn economics dampened by hedging program
  - Investment spend to slow over next two years; c.£350m in 2024
- (4)% pro-forma SCCR impact of February 2025 c.£200m debt repayment

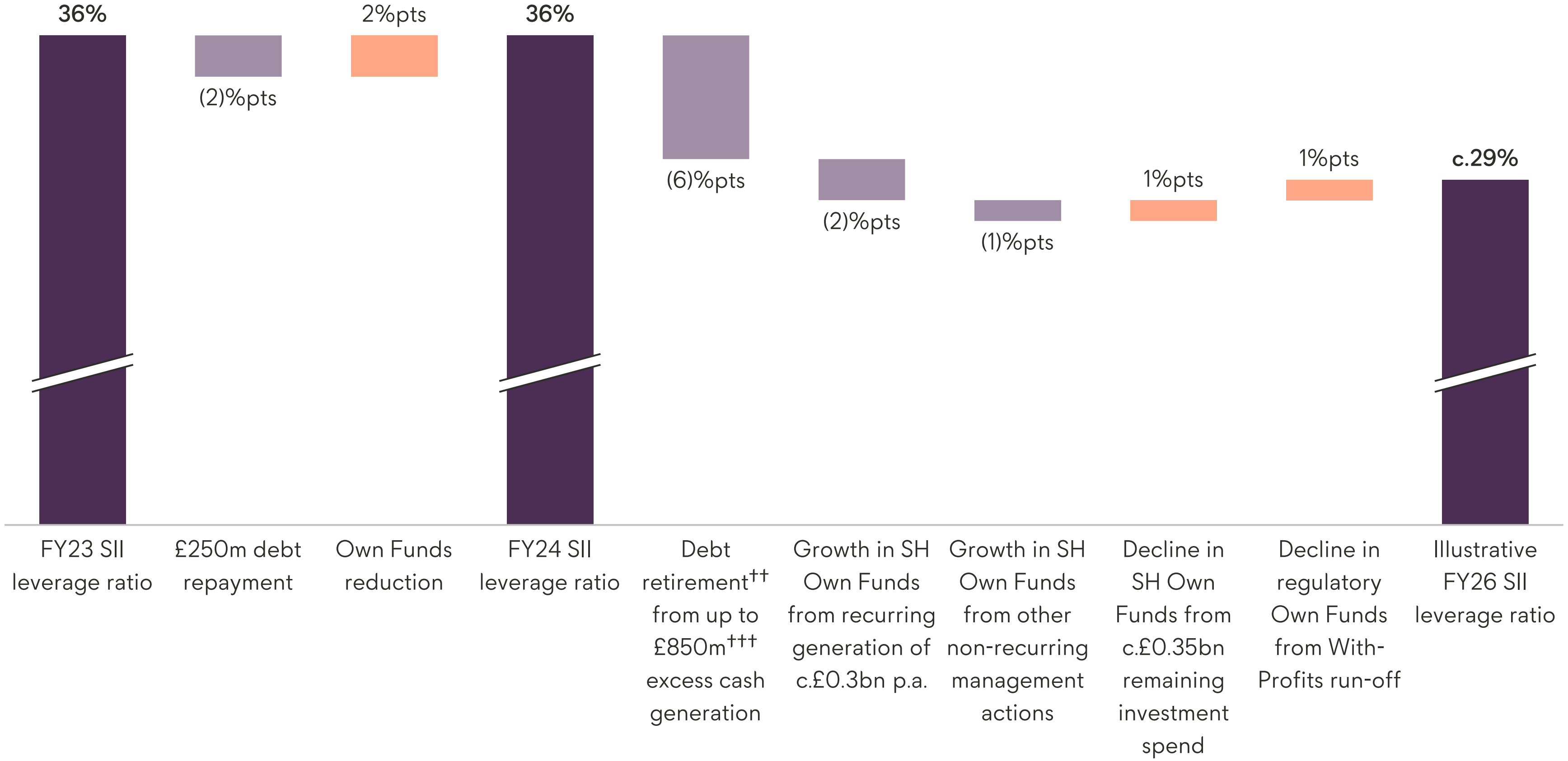
Increased flexibility to achieve c.30% Solvency II leverage ratio target

Cash Capital Earnings

SII leverage ratio unchanged despite £250m debt repayment

	FY23	FY24
SII leverage ratio[3]	36%	36%
=		
Debt	£3.9bn†	£3.7bn†
÷		
Regulatory Own Funds	£11.0bn†	£10.2bn†

Illustrative path to c.30% SII leverage ratio[3] target by the end of 2026



† After £0.1bn FX swap value
†† Subject to regulatory approval
††† Excludes $250m repayment in February 2025
See Appendix 20 for footnotes

Hedging protects cash and Solvency II Surplus which protects dividend payments

Cash Capital Earnings

Hedge unrewarded market risks

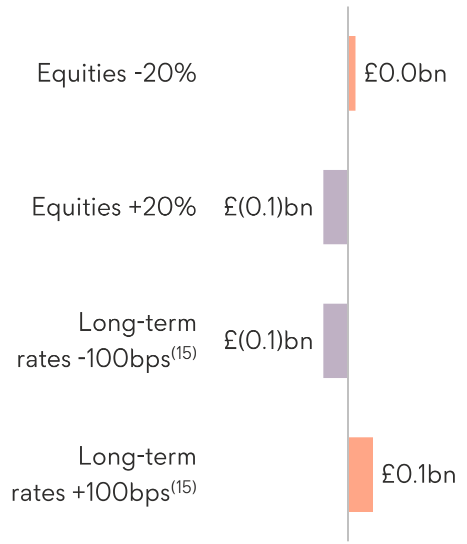
Protects SII surplus and therefore cash generation

Reduced SCR on SII balance sheet

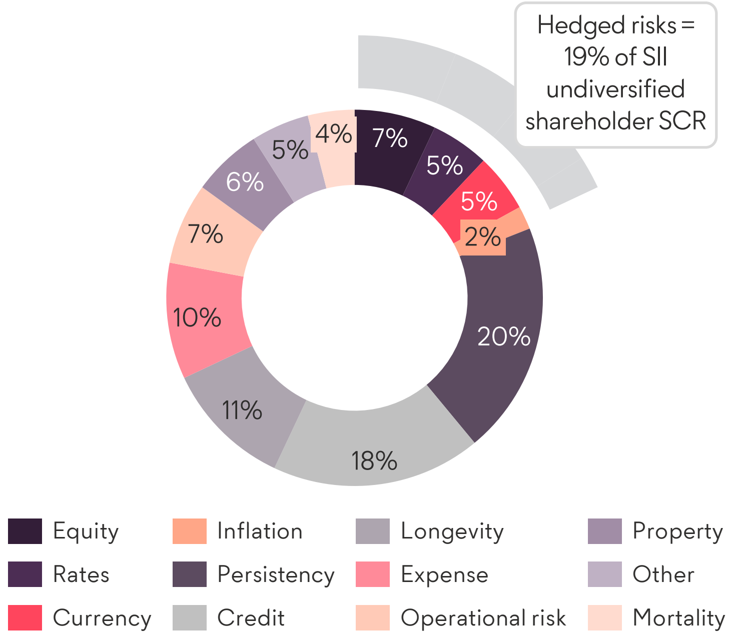
What we do

- We hedge unrewarded market risks:
  - Interest rates
  - Inflation
  - Currency
  - Equity risk

Low SII surplus sensitivities



SII undiversified shareholder SCR†



† Split of SCR includes allowance for diversification within each risk category

See Appendix 20 for footnotes

31% growth in IFRS adjusted operating profit

Cash Capital Earnings

	FY23[11]	FY24	% growth
Pensions and Savings	£190m	£316m	+66%
Retirement Solutions	£378m	£474m	+25%
Europe and Other	£144m	£96m	(33)%
With-Profits	£10m	£41m	+310%
Corporate Centre	£(93)m	£(102)m	(10)%
IFRS adjusted operating profit	**£629m**	**£825m**	**+31%**

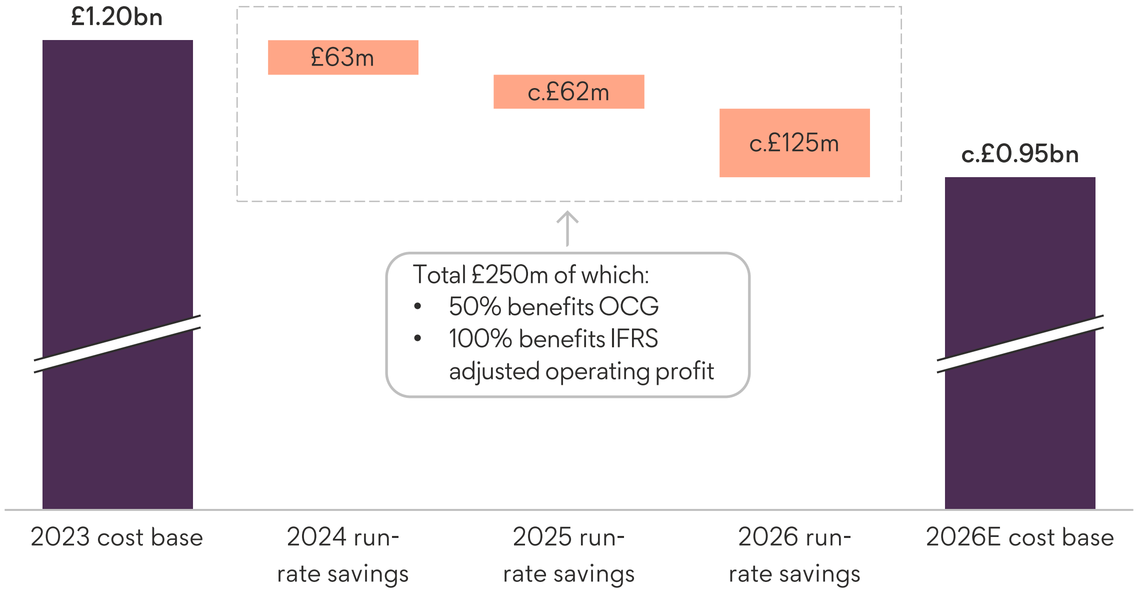
- Growth in Group AUA supported by business trading performance
- Higher CSM release and further value added by Phoenix Asset Management
- Focus on cost efficiency, delivered £63m run-rate savings; on track to £250m run-rate cost savings target by end-2026
- New profit driver disclosures for Pensions and Savings and Retirement Solutions (see Appendix)

See Appendix 20 for footnotes

Clear plan to deliver £250m run-rate cost savings by end of 2026 and phased investment spend

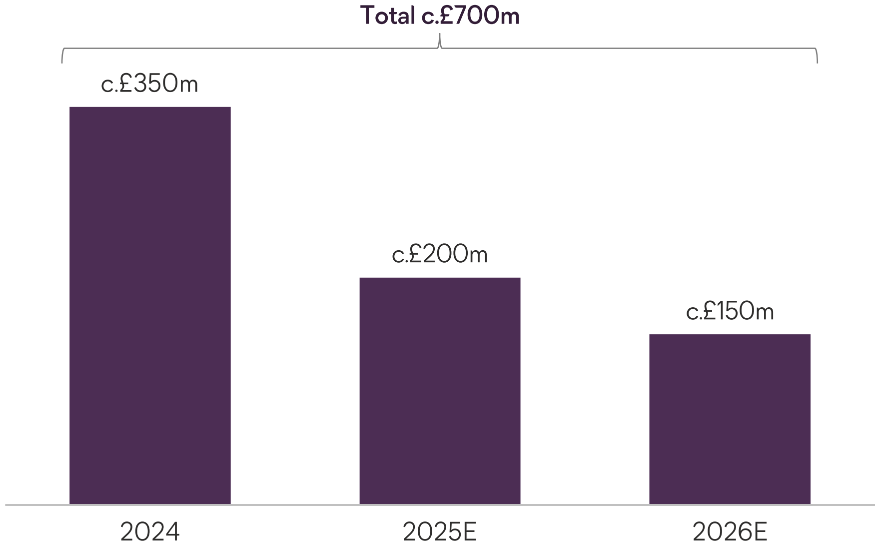
Cash | Capital | Earnings

Path to £250m annual cost savings by 2026, net of inflation



- £63m of run-rate cost savings delivered in FY24 (£28m in-year)
- Driven by streamlined leadership structures, procurement savings and de-duplication of activity

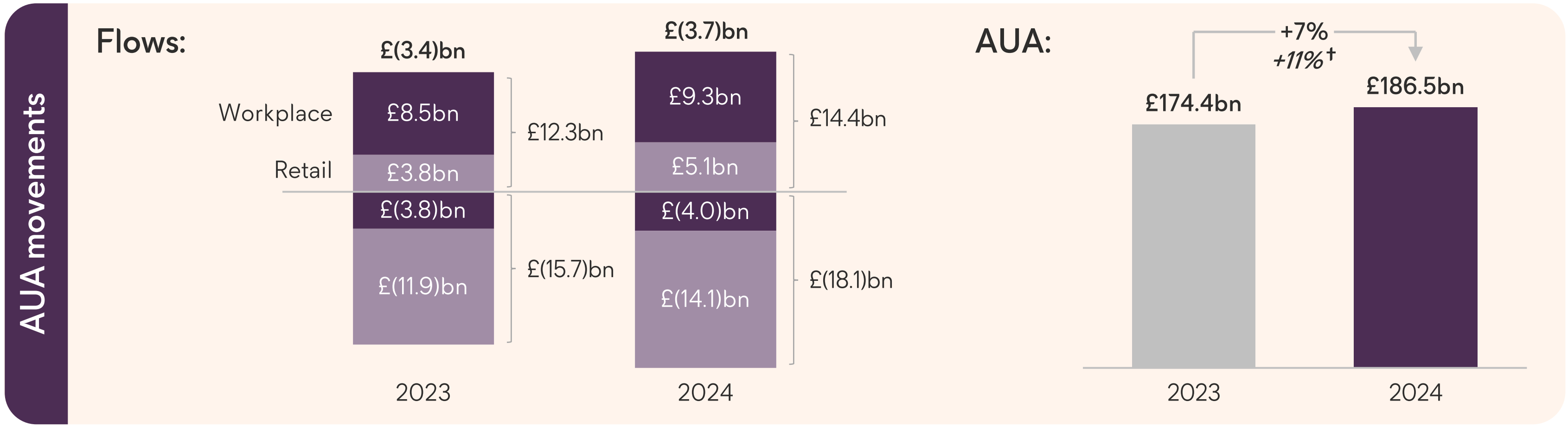
Phasing of c.£700m post-tax planned investment in strategic priorities

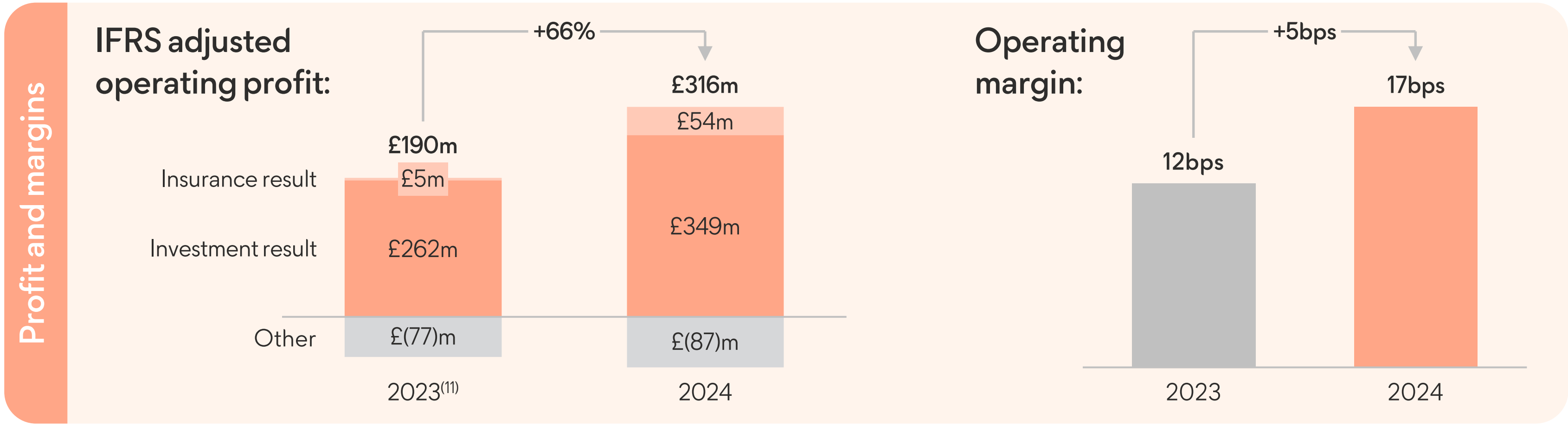


- c.£700m planned investment spend on our strategic priorities:
  - c.£100m to Grow
  - c.£100m to Optimise
  - c.£500m to Enhance
- Modest level of investment spend expected from FY27

66% IFRS adjusted operating profit increase in capital-light, fee-based Pensions and Savings

Cash Capital Earnings





- Workplace: growing net fund inflows demonstrate leading market position
- Retail: improving gross inflows reflecting green shoots of retail strategy
- Investment result: increased to £349m
  - Higher revenues driven by 11% growth in average AUA
  - Expense efficiency from cost savings and lower Investment Management fees
  - Positives from IFRS 17 Day-2 implementation true-ups
- Overall operating margin improved to 17bps reflecting operating leverage

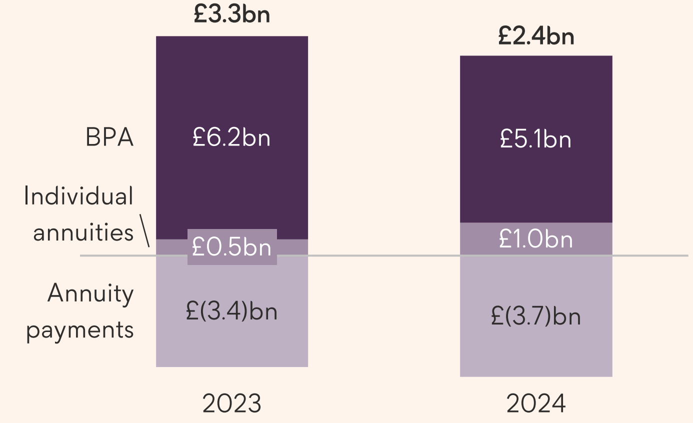
† 11% based on average AUAs
See Appendix 20 for footnotes

25% IFRS adjusted operating profit increase in capital-utilising, spread-based Retirement Solutions

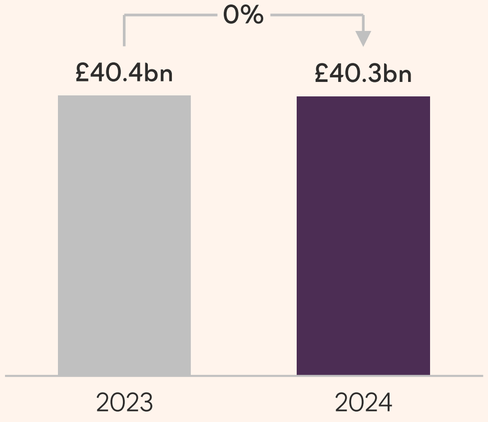
Cash Capital Earnings

AUA movements

Flows:

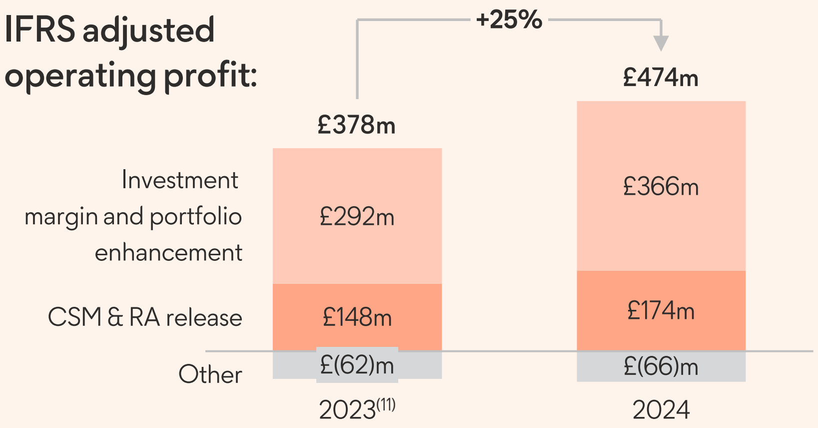


AUA:

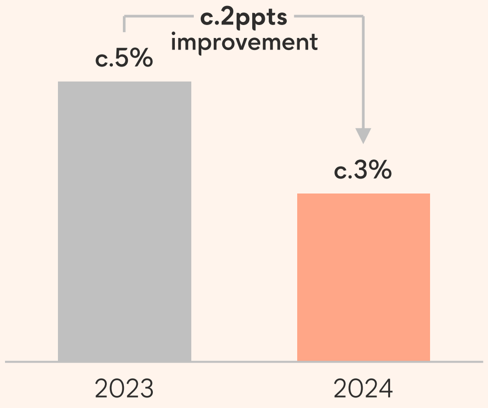


Profit and capital strain†

IFRS adjusted operating profit:



Capital strain†:

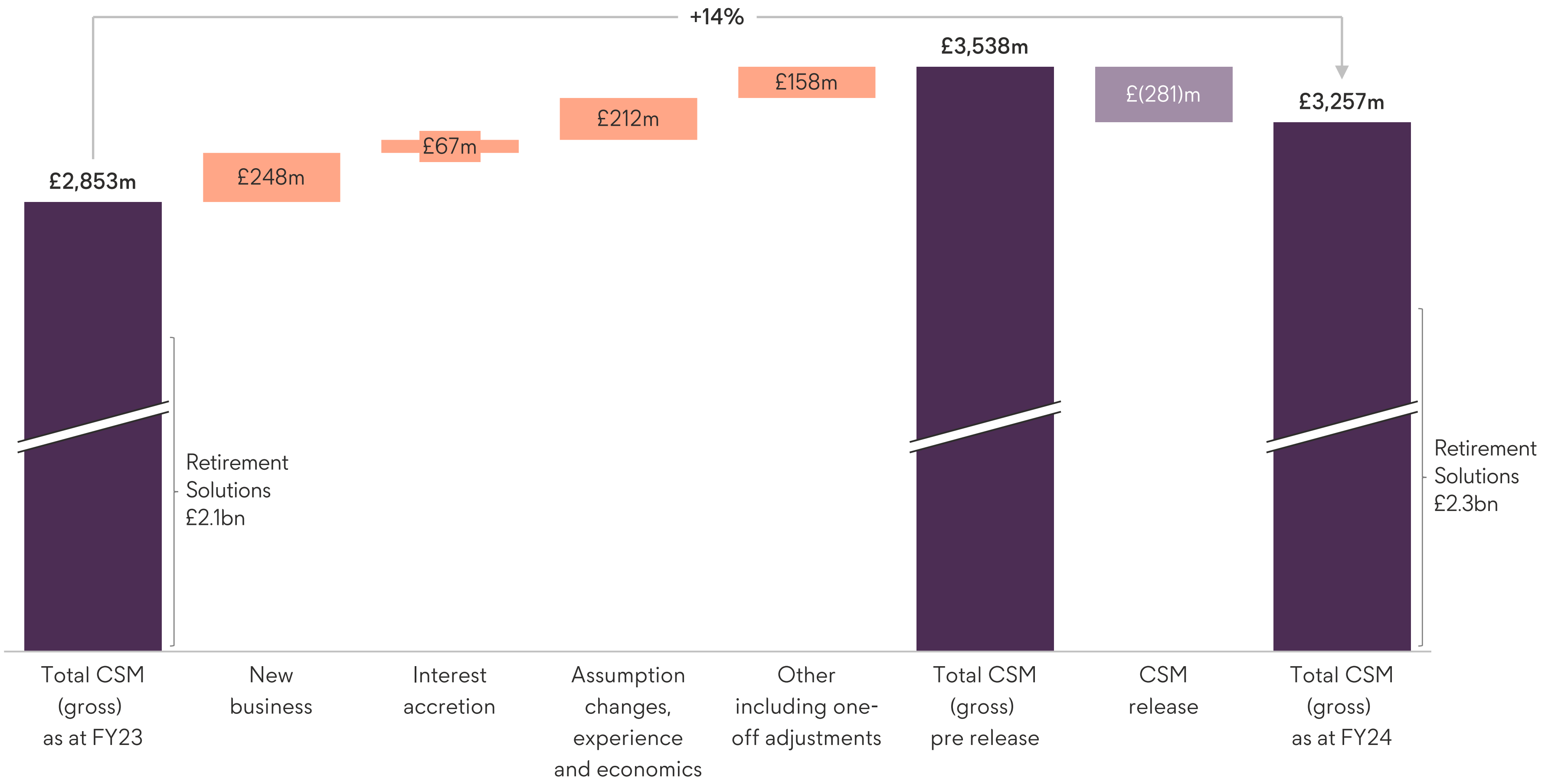


- BPA: Disciplined market participation, Top 5 player[10]
- Individual annuities: Strong YoY growth in individual annuity flows to c.£1bn
- Profit rose by 25% to £474m driven by:
  - CSM and risk adjustment release, up 18%
  - Higher investment margin and portfolio enhancement actions
- £6.1bn premiums delivered with c.2ppts improvement in strain

† Post Capital Management Policy
See Appendix 20 for footnotes

14% Contractual Service Margin growth, a store of future profits

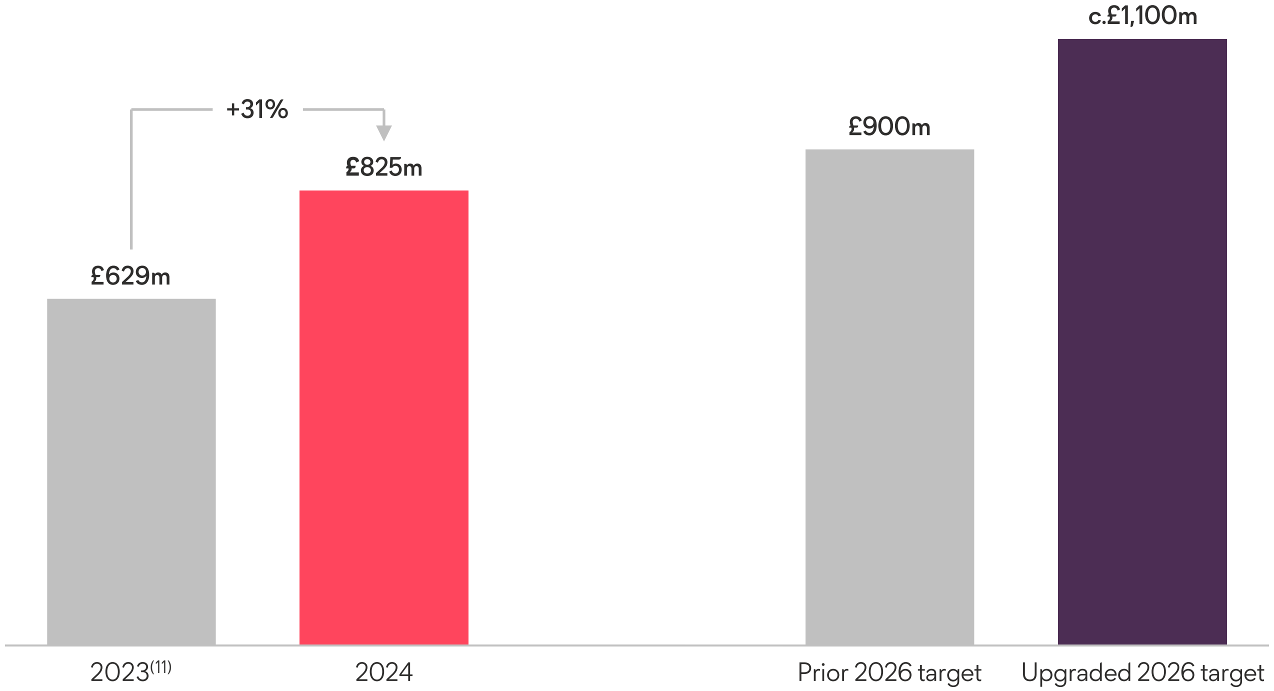
Cash Capital Earnings



- CSM total up 14% driven by:
  - New annuity business
  - Positive assumption changes
- +17% YoY increase in total CSM release of £281m, equivalent to 8% of FY24 closing value

Upgrading 2026 IFRS adjusted operating profit target to c.£1.1bn

Cash | Capital | Earnings

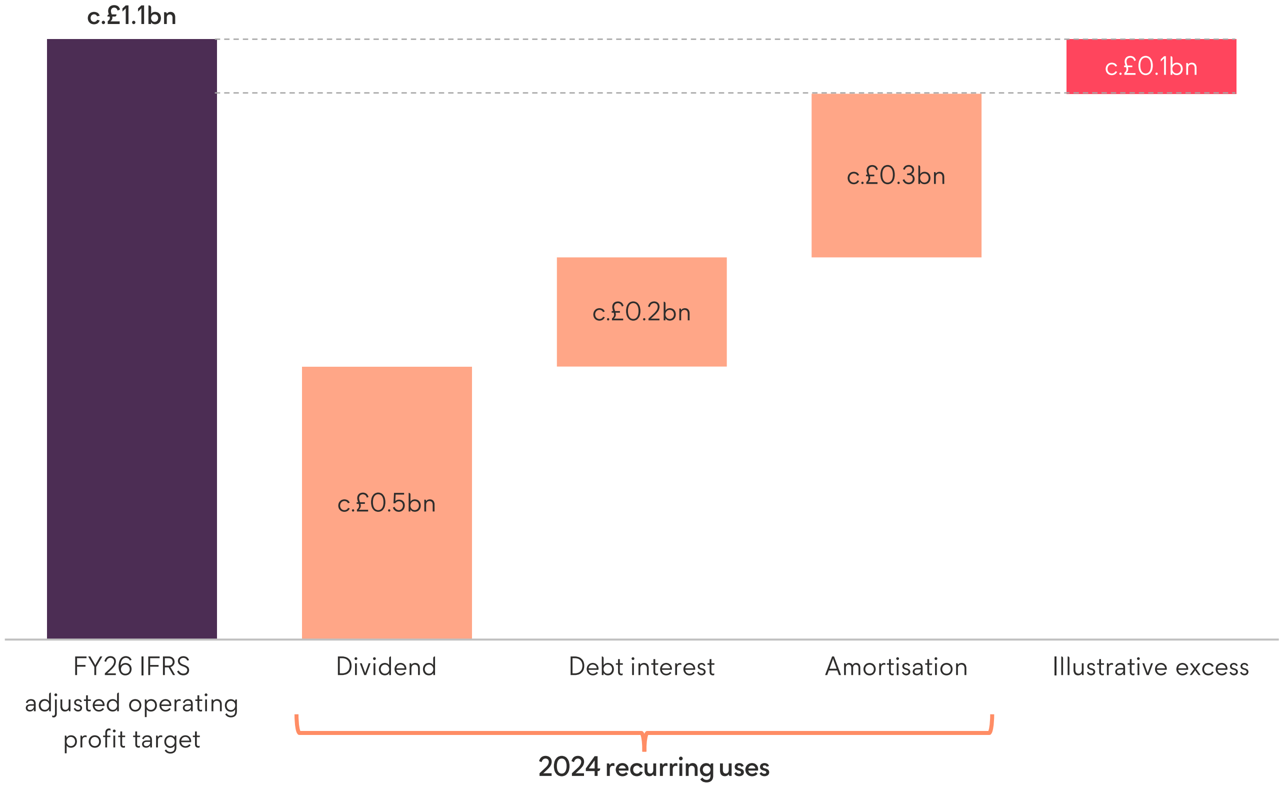


- c.£1.1bn target to be underpinned by:
  - Growth in the underlying businesses
  - Ongoing value creation by Phoenix Asset Management
  - Achievement of £250m run-rate cost savings in 2026
- Increase will not be linear and will emerge:
  - Over half in Pensions and Savings
  - Balance from Retirement Solutions and, to a lesser extent, reduction in corporate centre costs

See Appendix 20 for footnotes

IFRS adjusted operating profit will more than cover recurring uses

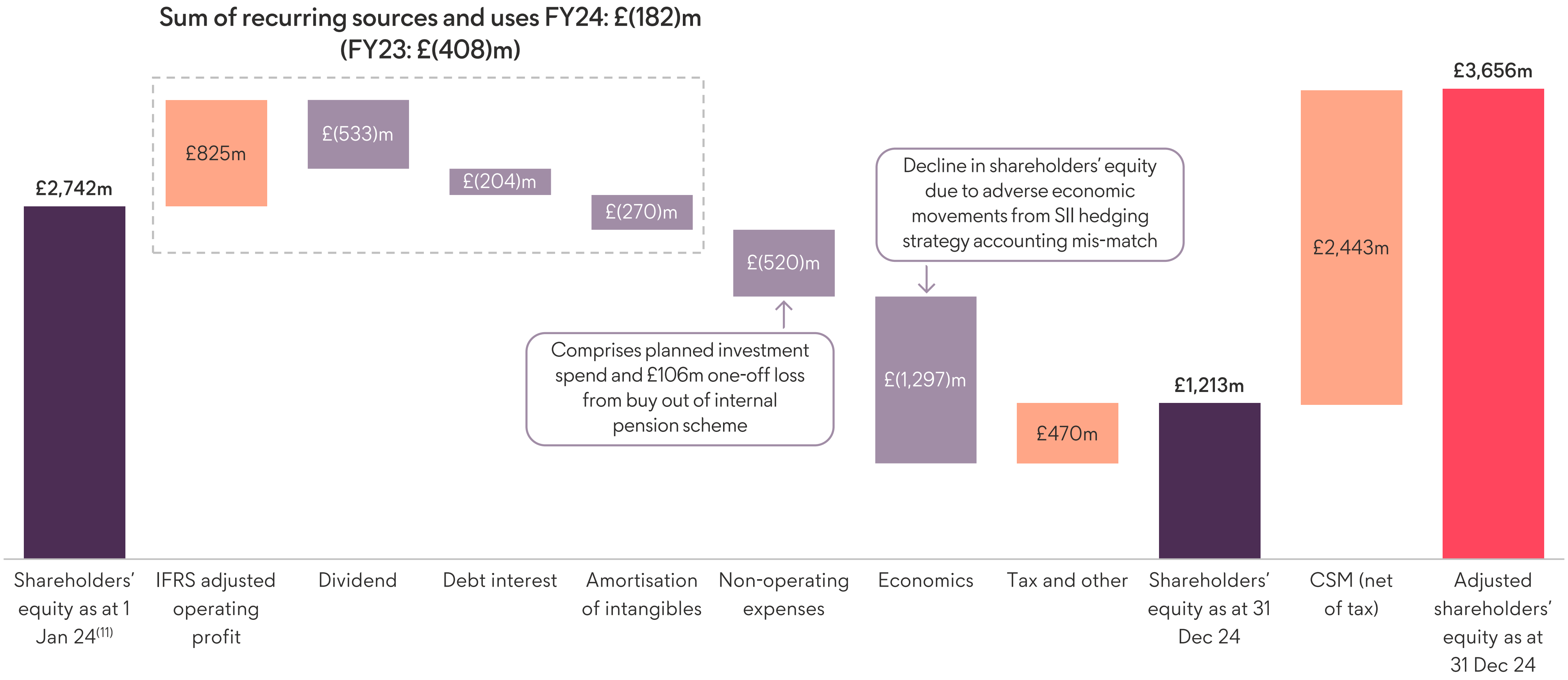
Cash Capital Earnings



- At c.£1.1bn we create sufficient IFRS adjusted operating profit to more than cover recurring uses
- Deleveraging will reduce debt interest from current levels. Amortisation will continue to run-off
- Excess available to cover most non-recurring uses in 2026
- Non-recurring spend expected to be modest post-2026 when migration and transformation programmes complete
- In 2027, our aim is for IFRS shareholders' equity to grow, excluding economics

Decline in shareholders' equity a known consequence of hedge-related volatility under IFRS 17

Cash Capital Earnings



FY23[11]	**£3,306m**	£629m	£(520)m	£(195)m	£(322)m	£(439)m	£377m	£(94)m	**£2,742m**	£2,140m	**£4,882m**

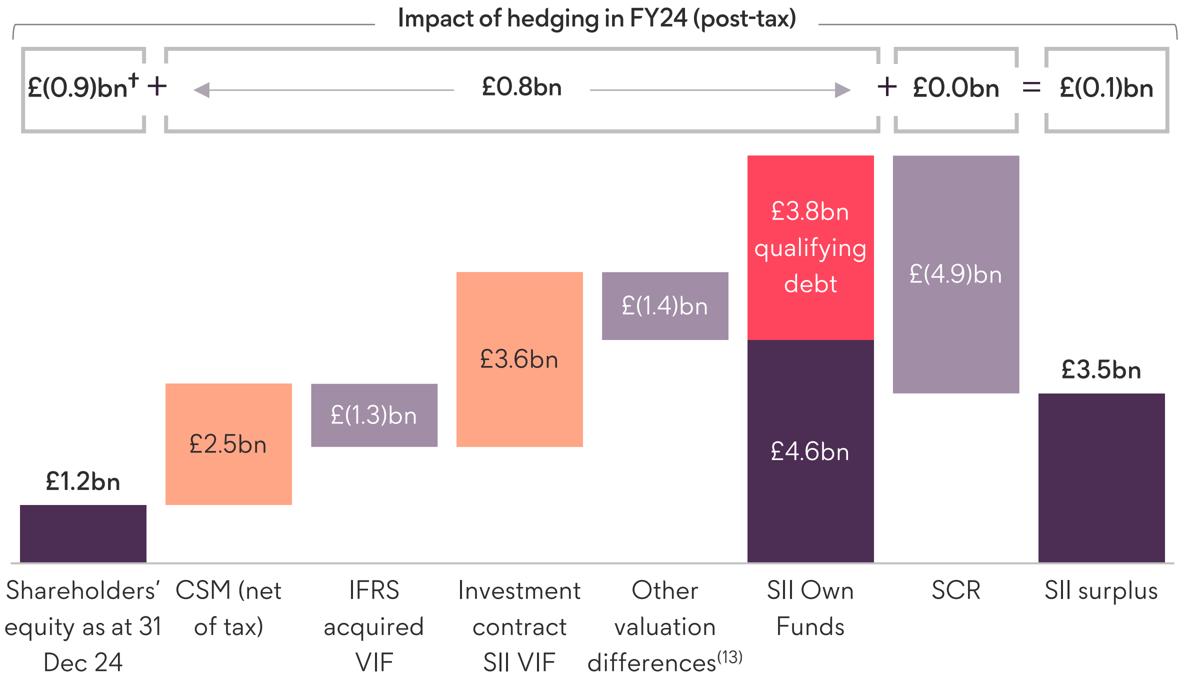
See Appendix 20 for footnotes

Phoenix

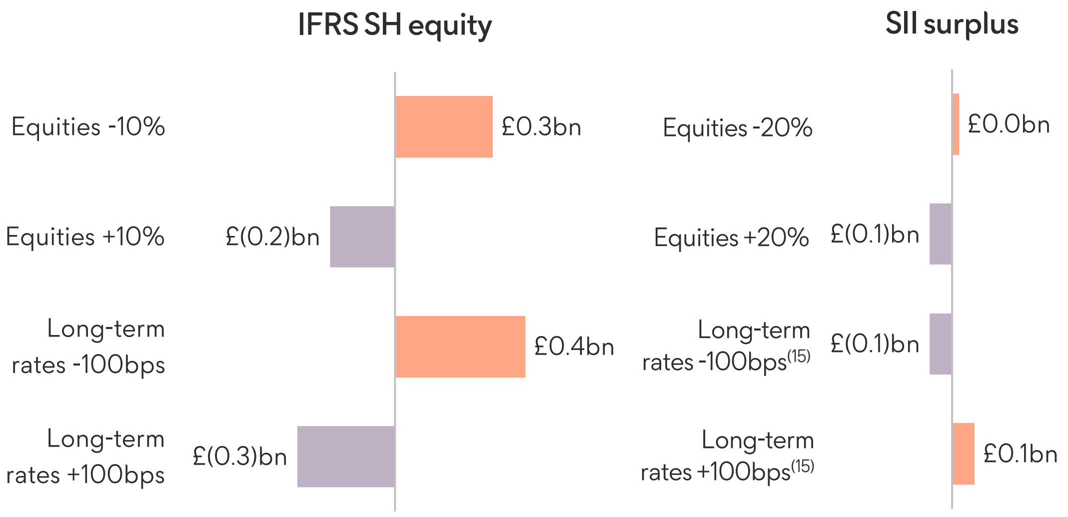
Difference between Solvency II and IFRS balance sheet causes volatility in IFRS shareholders' equity from hedging

Cash Capital Earnings

FY24 IFRS shareholders' equity to shareholder SII bridge



Higher FY24 sensitivity in IFRS SH equity than SII surplus



† Post-tax, economics & OCI

See Appendix 20 for footnotes

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

Cash Capital Earnings

Cash	Capital	Earnings
Operating Cash Generation	Shareholder Capital Coverage Ratio[1,2]	Distributable reserves of parent company
£1.4bn	172%	£5.6bn
Mid-single digit % growth going forward	140-180% target range	Phoenix Group Holdings plc

IFRS consolidated shareholders' equity is not a constraint to the payment of our dividends[4]

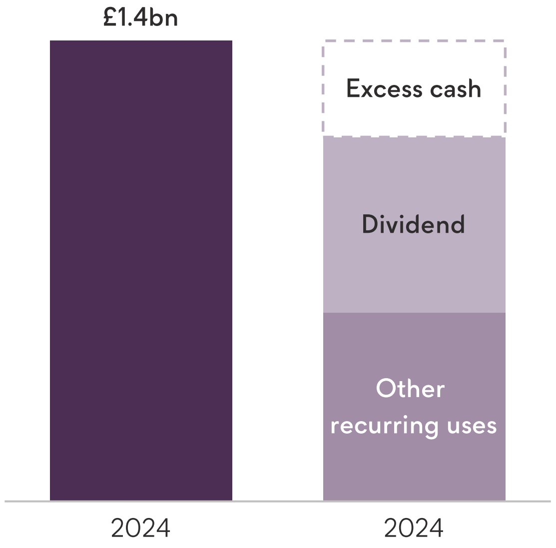
See Appendix 20 for footnotes

Operating momentum will underpin our financial progress

Cash
Capital
Earnings

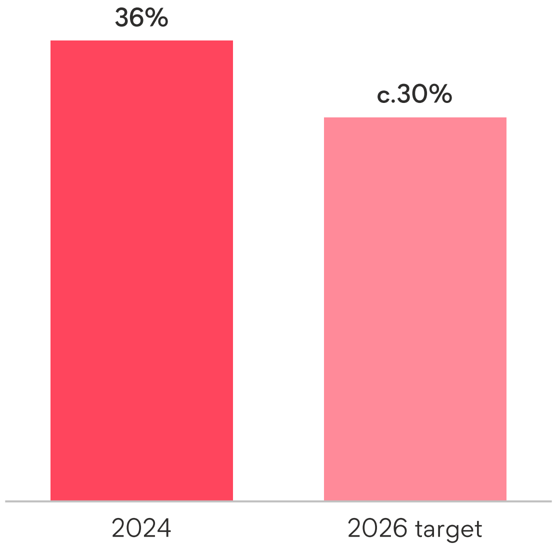
Cash

Upgraded OCG delivering excess cash every year



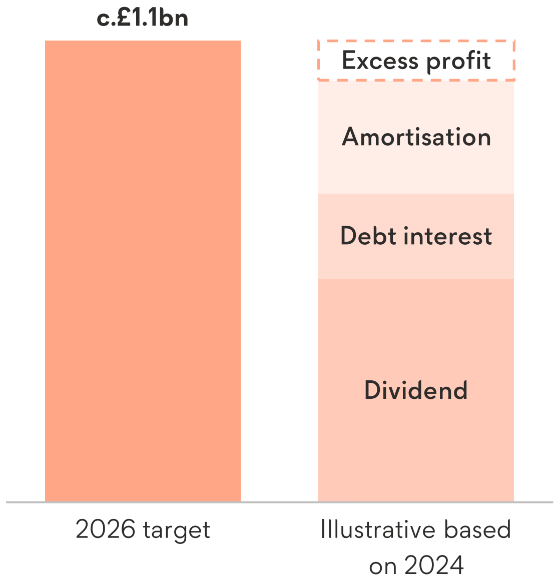
Capital

Excess cash generation supports deleveraging target[3]



Earnings

Upgraded IFRS adjusted operating profit target covers recurring uses



Financial framework delivers progressive and sustainable dividend policy[4]

See Appendix 20 for footnotes

Looking ahead

Andy Briggs
Group Chief Executive Officer

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Delivering our vision through our strategic priorities

	Grow	Optimise	Enhance
Priority:	Meeting more of our existing customer needs and acquiring new customers	Optimising our in-force business and balance sheet	Transforming our operating model and culture
Key delivery:	✓ Develop innovative **Retail** propositions for both the adviser and direct markets ✓ Further develop our **Workplace and Annuities** businesses to drive more profitable growth	✓ **Deleverage** our balance sheet ✓ Enhance our **asset management and balance sheet efficiency** capabilities	✓ Complete remaining **customer migrations** ✓ **Simplify our business** by embedding an efficient Group-wide operating model
Outcomes:	• **£1.4bn OCG** growing **mid-single digit %** going forward • **c.£1.1bn** IFRS adjusted operating profit in 2026	• **c.30%** SII leverage ratio[3] by the end of 2026	• **£250m** of annual run-rate cost savings by the end of 2026

Our free cash flow means our progressive and sustainable dividend is well covered and secure[4]

See Appendix 20 for footnotes

Q&A

Appendices

Appendices

1. Group cash flow analysis
2. 3-year total cash generation targets across 2022-2026
3. Debt maturity profile and leverage ratios as at 31 December 2024
4. Additional Solvency II disclosures
5. Change in Life Company Free Surplus
6. Movement in assets under administration
7. Movement in assets under administration by segment
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9. PGH Solvency II Shareholder Capital Coverage Ratio sensitivities
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12. 2024 IFRS adjusted operating profit drivers
13. Pensions and Savings IFRS adjusted operating profit analysis
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15. Movement in Group Contractual Service Margin, including segmental split
16. Shareholder credit portfolio
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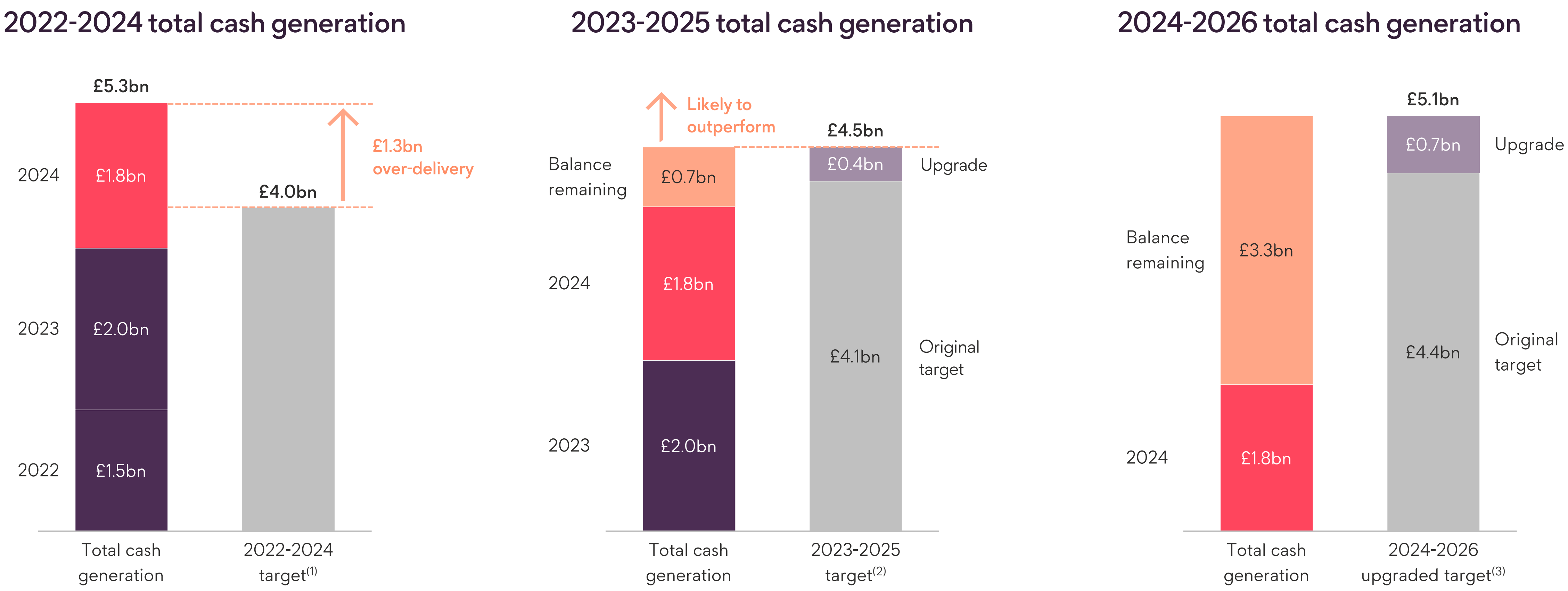
Appendix 1: Group cash flow analysis

	FY24
Cash and cash equivalents at 1 January 2024	**£1,012m**
Total cash generation[(1)]	**£1,779m**
Uses of cash:	
Operating expenses and pension scheme contributions[(2)]	£(132)m
Non-operating net cash outflows	£(314)m
Debt interest	£(236)m
Support of annuities activity	£(206)m
Free cash flow generation	**£891m**
Shareholder dividend	£(533)m
Debt repayments	£(643)m
Debt issuance	£390m
Closing cash and cash equivalents at 31 December 2024	**£1,117m**

[1] Total cash generation includes £156 million received by the holding companies in respect of tax losses surrendered
[2] 2024 operating expenses include £(16)m of pension scheme contributions

- Strong total cash generation of £1,779m in the period funds our uses of cash
- Non-operating net cash outflows of £314m (FY23: £111m) include:
  - £(354)m of investment in strategic priorities
  - £40m of net other items
- Strong free cash flow generation of £891m underpins our dividend and deleveraging capacity
- Debt movements reflect the £250m Tier 2 note redemption and the refinancing exercise of $500m Restricted Tier 1 notes, both of which completed in June

Appendix 2: 3-year total cash generation targets across 2022-2026

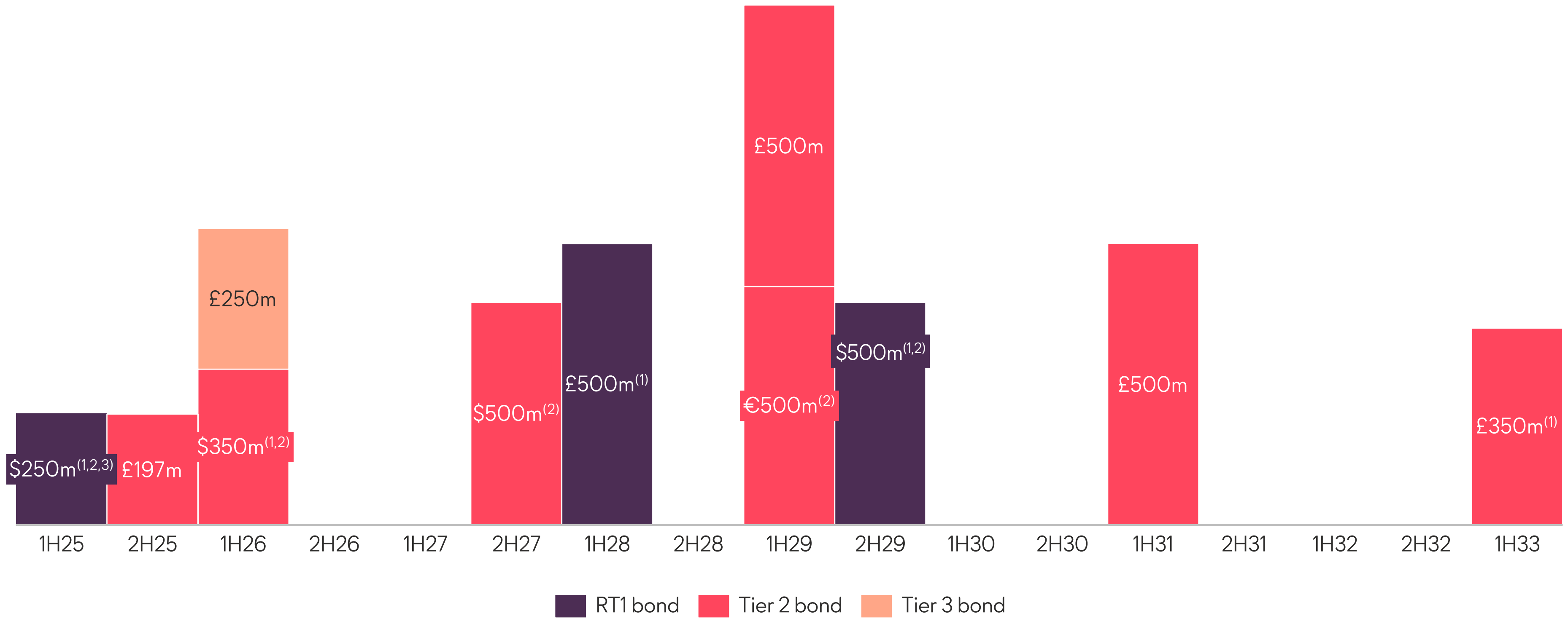


[1] 2022-2024 target set in March 2022

[2] 2023-2025 target upgraded from £4.1bn to £4.5bn in November 2023 following completion of funds merger through Part VII transfer of Standard Life and Phoenix Life businesses into a single entity

[3] 2024-2026 target was upgraded from £4.4bn to £5.1bn in March 2025 - this reflects the significant outperformance of our 2024 target and given OCG is now expected to grow at a mid-single digit percentage annually from the £1.4bn delivered in 2024

Appendix 3: Debt maturity profile and leverage ratios as at 31 December 2024



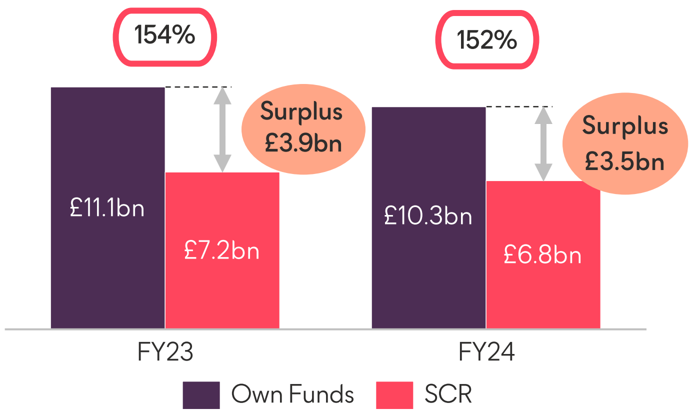
Leverage ratios

	FY23	FY24
SII leverage[4,7]	36%	36%
Fitch basis[5,7,8]	23%	23%
IFRS basis[6,7,8]	46%	52%

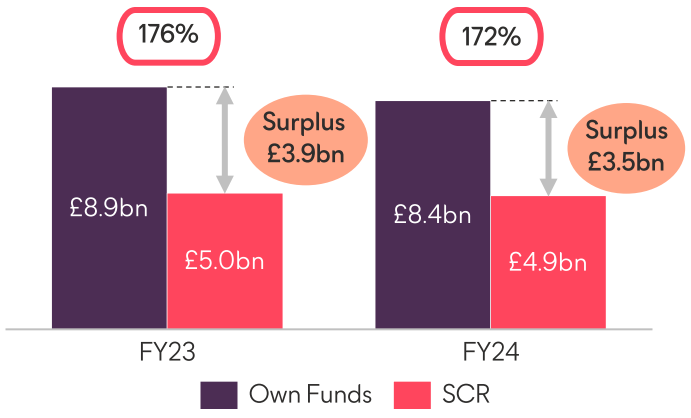
[1] First optional redemption
[2] All currency debt converted into GBP based on the closing 31 December 2024 exchange rates
[3] Redeemed on 4 February 2025
[4] SII leverage calculation = debt (all debt including RT1) / SII regulatory eligible Own Funds
[5] Fitch leverage ratio is estimated by management based on Fitch's published methodology (calculation = debt (all debt excluding RT1) / debt + equity (Adjusted shareholders' equity + NCI + policyholder surplus in with-profits funds + RT1))
[6] IFRS leverage calculation = debt (all debt including RT1) / debt + equity (Adjusted shareholders' equity)
[7] Ratios allow for currency hedges over foreign currency denominated debt
[8] FY23 leverage ratio updated to reflect prior period restatements (see note 1 to the 2024 financial statements for further details)

Appendix 4: Additional Solvency II disclosures

PGH SII Regulatory Coverage Ratio

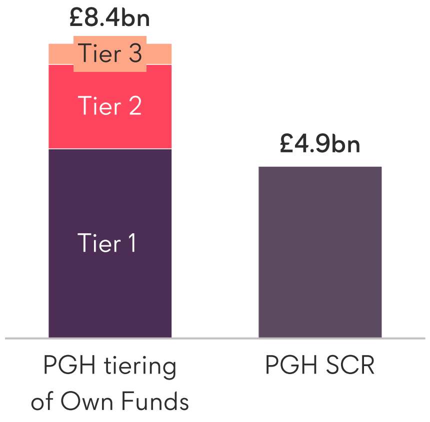


PGH SCCR(1,2)



	FY23	FY24
PGH Solvency II Own Funds	**£11.1bn**	**£10.3bn**
Less: Unsupported With-Profit funds	£(2.4)bn	£(2.0)bn
Adjustment for unsupported pension schemes and restrictions	£0.2bn	£0.1bn
PGH Shareholder Own Funds	**£8.9bn**	**£8.4bn**

FY24 PGH Own Funds by capital tier



Share of SII Own Funds by capital tier

	£bn	%
Tier 1†	£5.4bn	64%
Tier 2	£2.4bn	29%
Tier 3	£0.6bn	7%
Total	**£8.4bn**	**100%**

† Tier 1 includes £1.1bn of Restricted Tier 1 capital

See Appendix 20 for footnotes

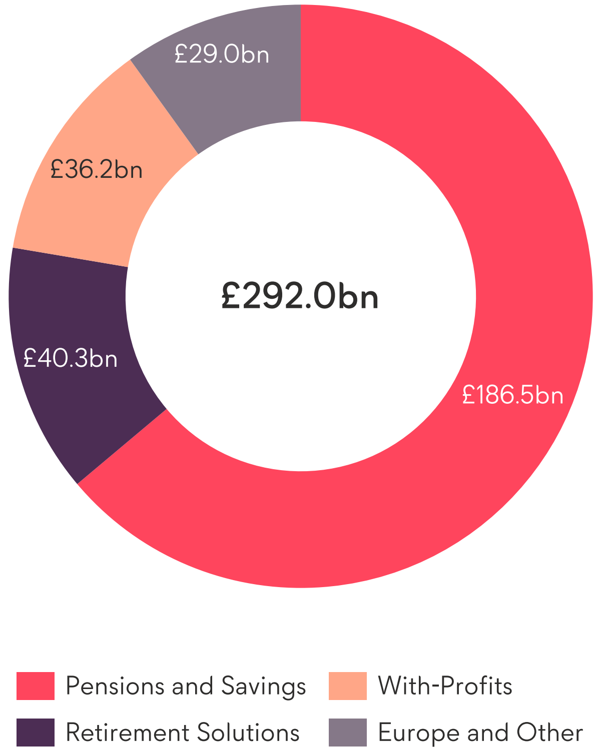
Appendix 5: Change in Life Company Free Surplus

See Appendix 20 for footnotes

Appendix 6: Movement in assets under administration

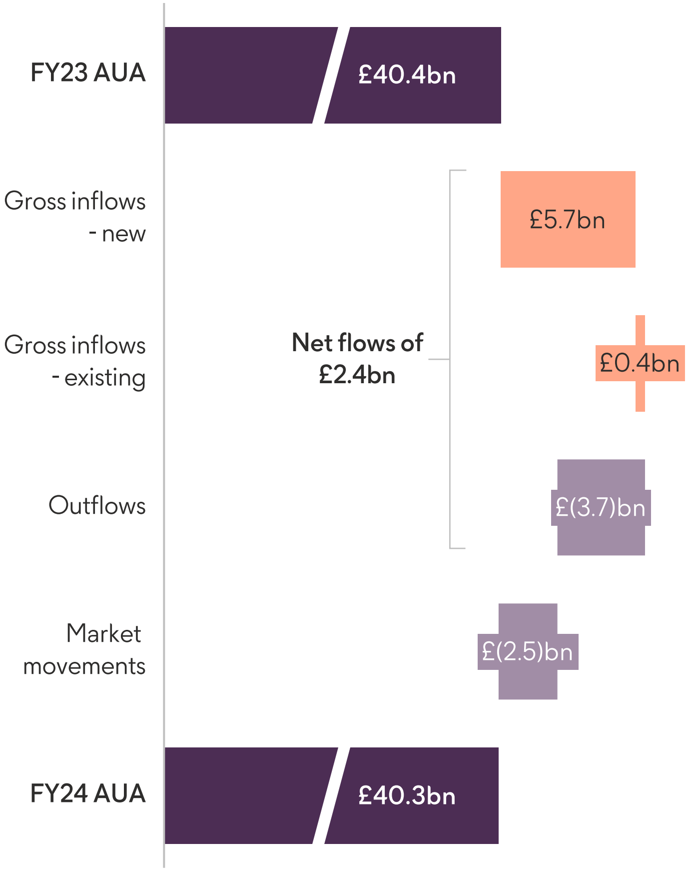
Movement in AUA from 1 January 2024 to 31 December 2024

Split by segment

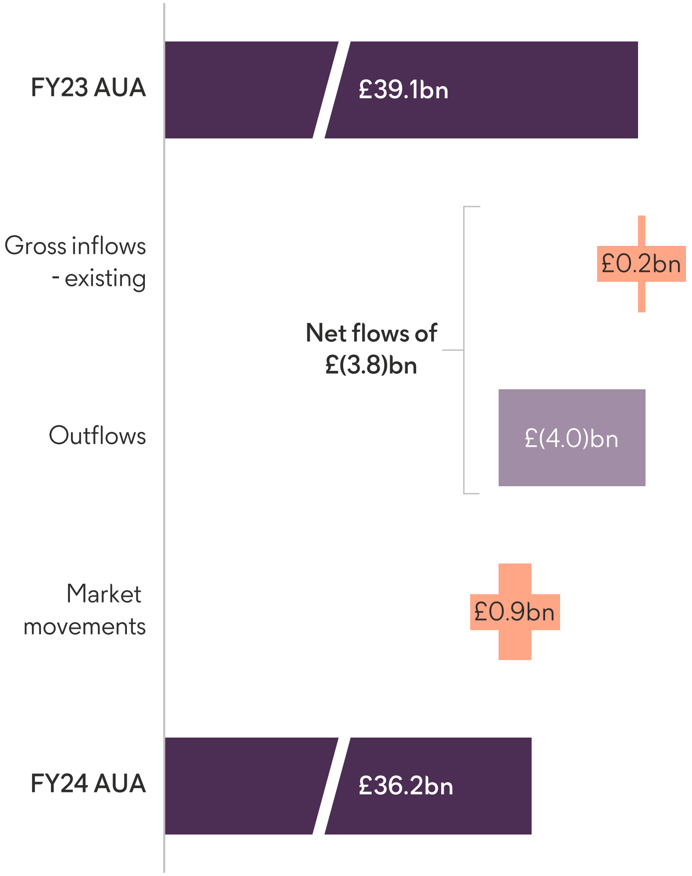


Appendix 7: Movement in assets under administration by segment

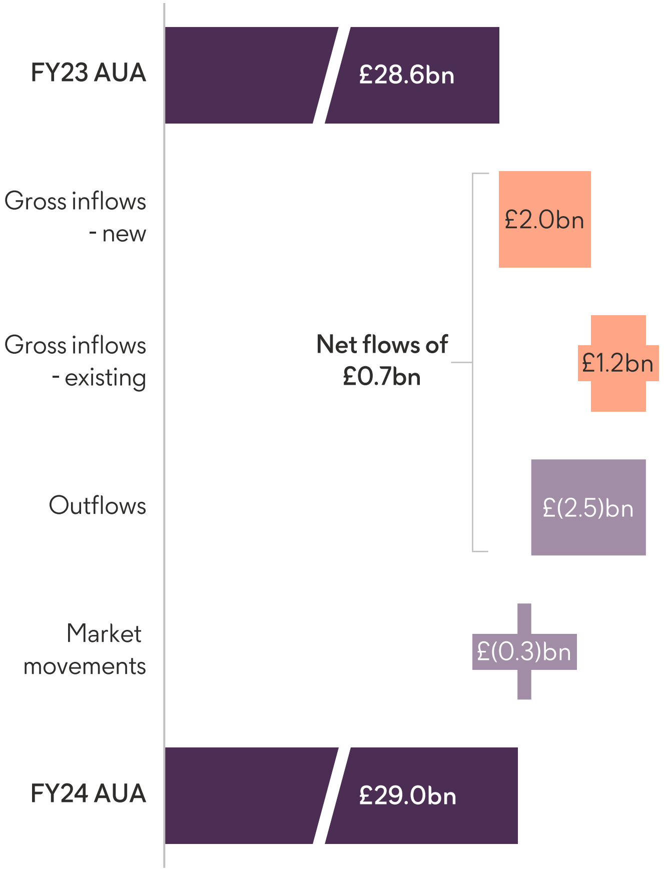
Retirement Solutions



With-Profits

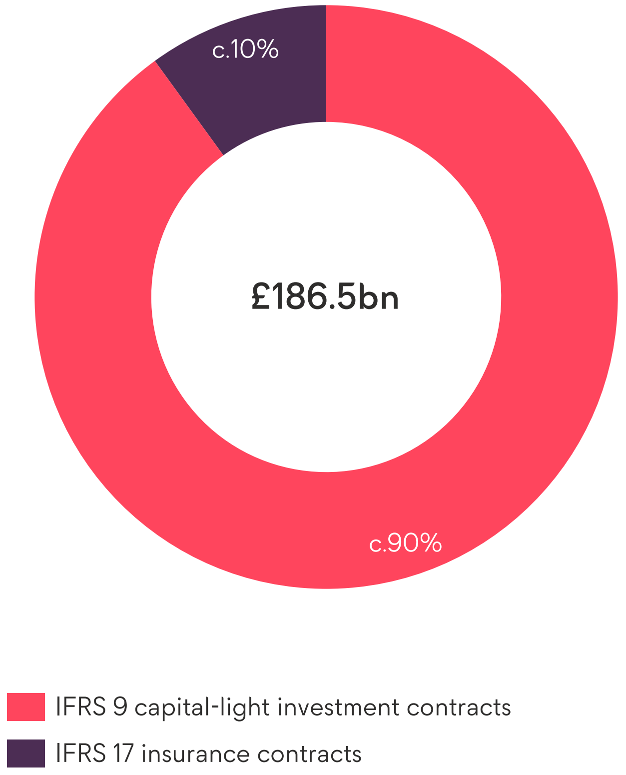


Europe and Other

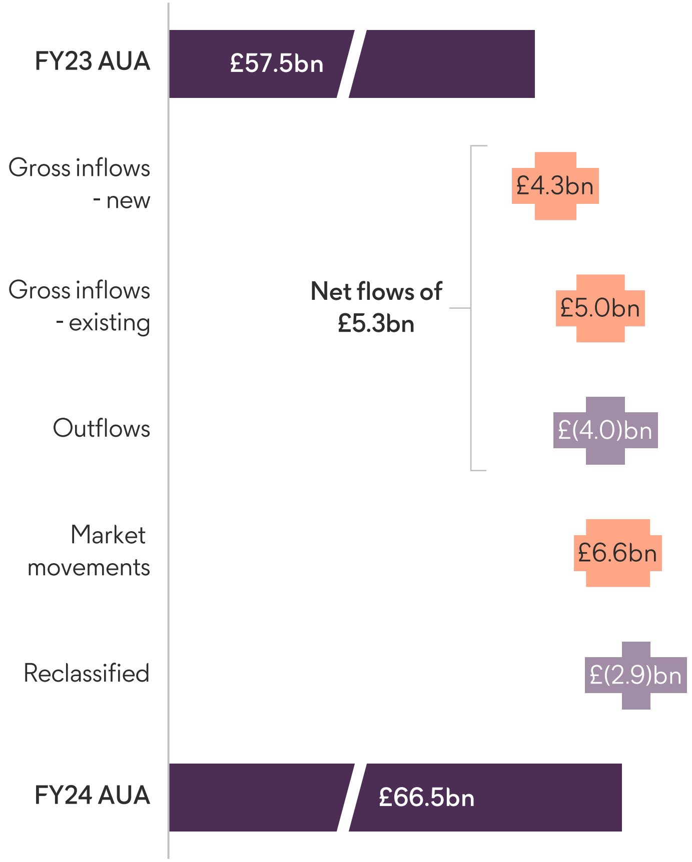


Appendix 8: Movement in assets under administration by segment (Pensions and Savings)

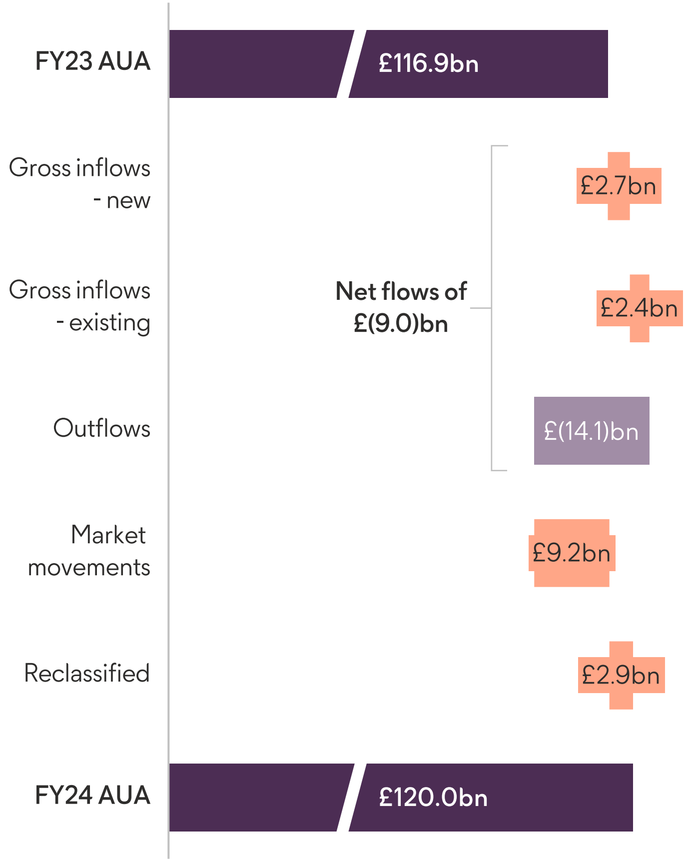
Pensions and Savings – total AUA



Pensions and Savings – Workplace



Pensions and Savings – Retail



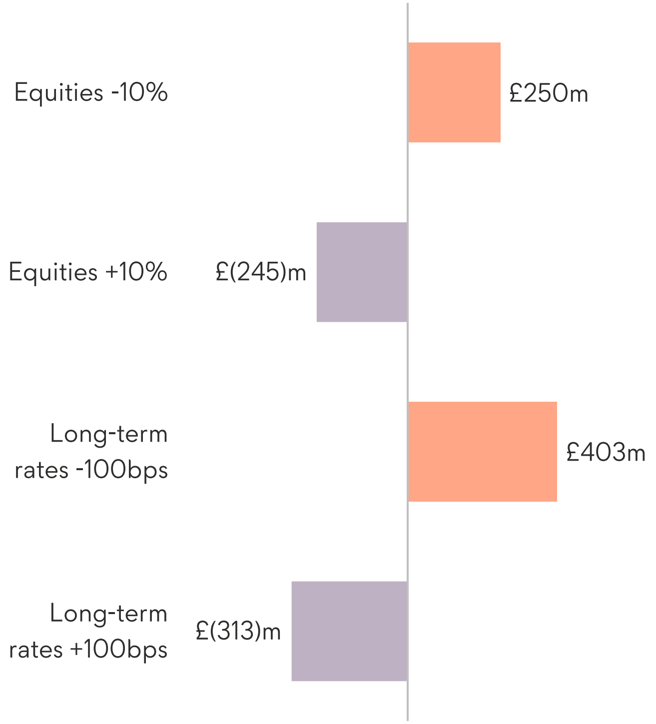
Appendix 9: PGH Solvency II Shareholder Capital Coverage Ratio sensitivities

		Unrewarded market risks[14]						Demographic risks[14]		Rewarded market risks[14]		
	Base position	**Equities** 20% fall in markets	**Long-term rates** 100bps rise[15]	**Long-term rates** 100bps fall[15]	**Long-term inflation** 50bps rise[16]	**Currency** 15% reduction[17]	**Currency** 10% increase[17]	**Lapse** 10% increase/ decrease in rates[18]	**Longevity** 6 months increase[19]	**Property**† 12% fall in values[20]	**Credit** 127bps spread widening[21]	**Credit**†† 20% portfolio full letter downgrade[22]
Impact on Solvency II surplus	£3.5bn[1]	Nil	£0.1bn	£(0.1)bn	Nil	£0.2bn	£(0.1)bn	£(0.1)bn	£(0.4)bn	£(0.2)bn	£(0.1)bn	£(0.3)bn
Impact on SCCR[1,2] (Target range: 140-180%)	172%	5%	7%	(5)%	(1)%	1%	0%	(2)%	(8)%	(4)%	(1)%	(8)%

† Property lending includes ERM and Commercial Real Estate
†† Downgrade sensitivity includes an estimate for realistic management actions
See Appendix 20 for footnotes

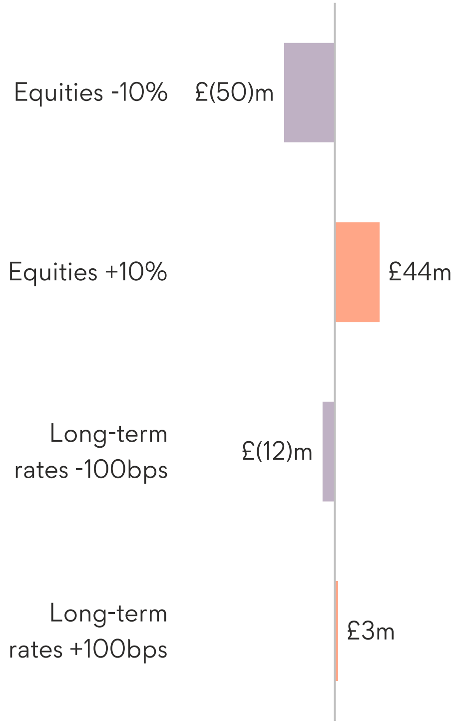
Appendix 10: IFRS sensitivities

IFRS Shareholders' equity



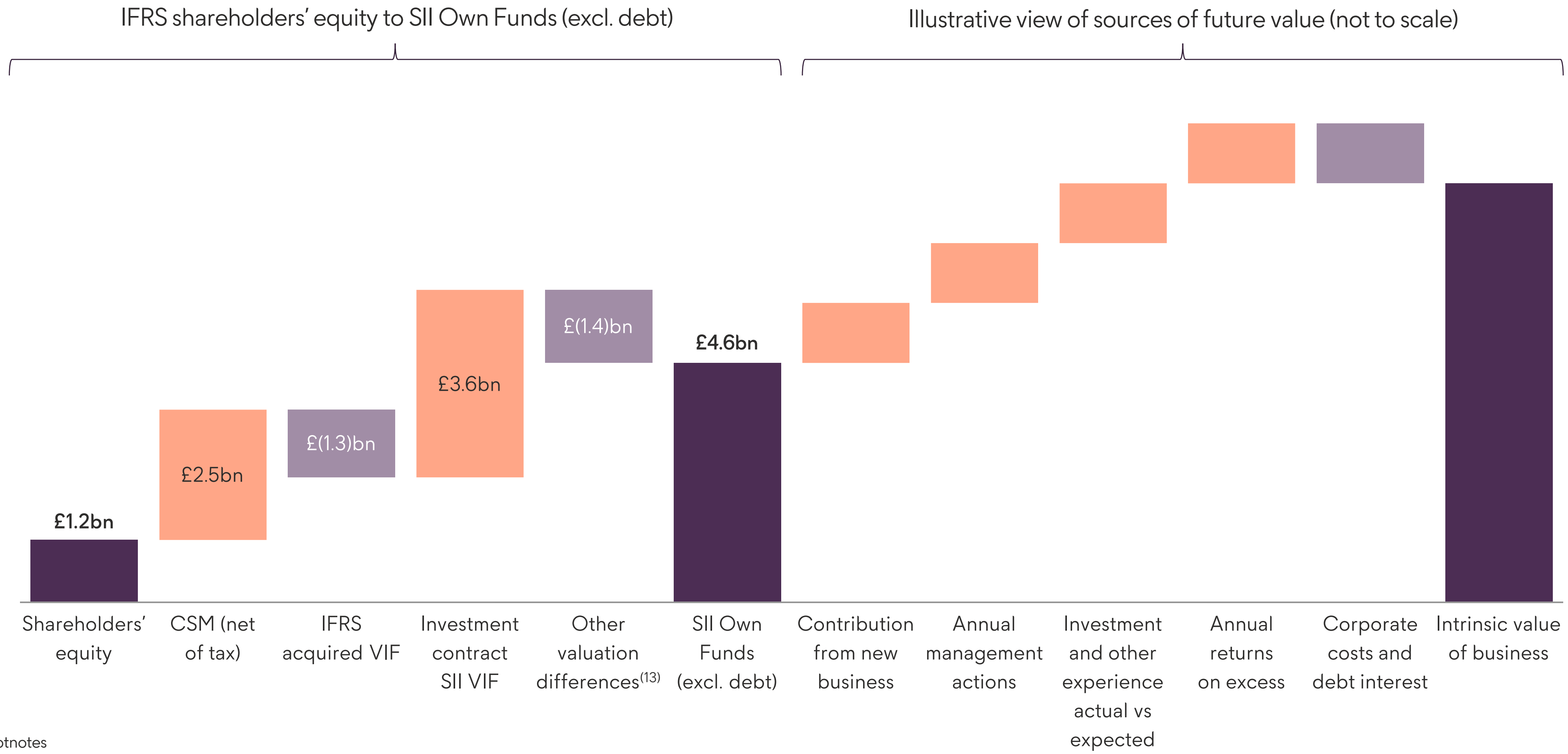
Post-tax P&L impact

CSM impact



See Appendix 20 for footnotes

Appendix 11: IFRS shareholders' equity, to SII Own Funds, to intrinsic value walk



See Appendix 20 for footnotes

Appendix 12: 2024 IFRS adjusted operating profit drivers

	CSM release	Risk adjustment release	Operating profit on investment contracts	Expected investment margin	Non-financial experience variances	Other††	Total operating profit
Pensions and Savings	£33m	£12m	£349m	-	£9m	£(87)m	**£316m**
Retirement Solutions	£150m	£24m	-	£366m	£(11)m	£(55)m	**£474m**
With-Profits	£19m	£1m	£(9)m	£9m	£29m	£(8)m	**£41m**
Europe and Other	£44m	£8m	£8m	£64m	£(11)m	£(17)m	**£96m**
Corporate Centre	-	-	-	-	-	£(102)m	**£(102)m**
IFRS adjusted operating profit	**£246m**	**£45m**	**£348m**	**£439m**	**£16m**	**£(269)m**	**£825m**

Operating earnings per share†	45.4p

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

†† Other includes non-attributable expenses and the net contribution of the Corporate Centre to Operating profit

Appendix 13: Pensions and Savings IFRS adjusted operating profit analysis

	2024			2023[11]		
	H124	H224	2024	H123	H223	2023
CSM & RA release	£18m	£27m	£45m	£7m	£26m	£33m
Other insurance items	£(2)m	£11m	£9m	£(23)m	£(5)m	£(28)m
Insurance result	**£16m**	**£38m**	**£54m**	**£(16)m**	**£21m**	**£5m**
Investment contract charges	£405m	£463m	£868m	£359m	£422m	£781m
Investment contract expenses	£(247)m	£(272)m	£(519)m	£(229)m	£(290)m	£(519)m
Investment result	**£158m**	**£191m**	**£349m**	**£130m**	**£132m**	**£262m**
Non-attributable expenses	£(32)m	£(56)m	£(88)m	£(40)m	£(56)m	£(96)m
Other non-insurance items	£7m	£(6)m	£1m	£2m	£17m	£19m
IFRS adjusted operating profit	**£149m**	**£167m**	**£316m**	**£76m**	**£114m**	**£190m**
Average AUA	£178.9bn	£185.9bn	£182.3bn	£161.8bn	£167.1bn	£164.4bn
IFRS adjusted operating margin (annualised) bps	17bps	18bps	17bps	9bps	14bps	12bps

- Insurance result benefits from higher CSM release due to positive market performance
- Other insurance items contains a non-recurring benefit of £21m in 2024 from modelling refinements (2023: £15m adverse)
- Investment result benefits from higher charges driven by increase in AUA and lower expenses from cost efficiencies and lower investment management rates
- Overall adjusted operating profit margin of 17bps driven by higher AUA and reduction in costs

See Appendix 20 for footnotes

Appendix 14: Retirement Solutions IFRS adjusted operating profit analysis

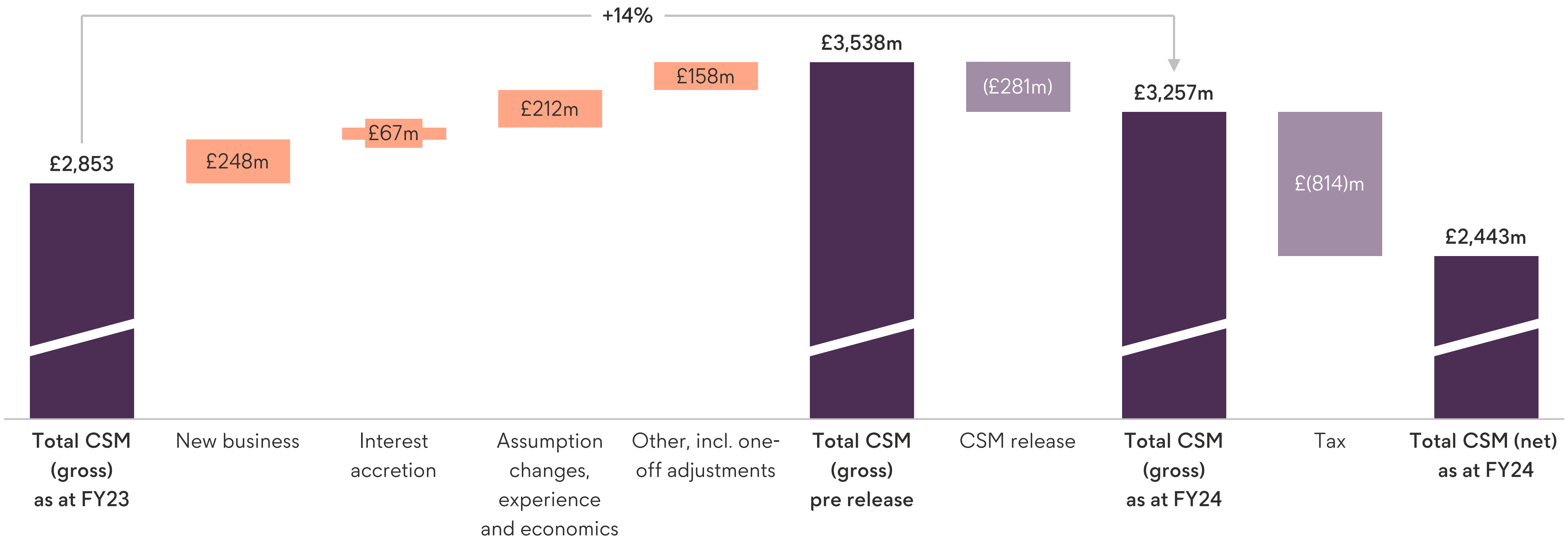
	2024			2023[11]		
	H124	H224	2024	H123	H223	2023
CSM release	£73m	£77m	£150m	£66m	£63m	£129m
RA release	£10m	£14m	£24m	£9m	£10m	£19m
Expected investment margin	£110m	£102m	£212m	£79m	£78m	£157m
Trading profit	£44m	£110m	£154m	£56m	£79m	£135m
Other insurance items	£3m	£(14)m	£(11)m	£(7)m	£(2)m	£(9)m
Insurance result	**£240m**	**£289m**	**£529m**	**£203m**	**£228m**	**£431**
Non-attributable expenses	£(30)m	£(30)m	£(60)m	£(24)m	£(28)m	£(52)m
Other items	-	£5m	£5m	-	£(1)m	£(1)m
IFRS adjusted operating profit	**£210m**	**£264m**	**£474m**	**£179m**	**£199m**	**£378m**
Surplus assets	**£3.0bn**	**£3.0bn**	**£3.0bn**	**£2.3bn**	**£2.3bn**	**£2.3bn**
Long-term returns on SH funds	£75m	£74m	£149m	£48m	£52m	£100m
Returns from assets backing liabilities	£35m	£28m	£63m	£31m	£26m	£57m
Expected investment return	**£110m**	**£102m**	**£212m**	**£79m**	**£78m**	**£157m**
Long-term return on SH funds	**5.0%**	**4.9%**	**5.0%**	**4.1%**	**4.5%**	**4.3%**
Closing CSM before amortisation	£2,338m	£2,456m	£2,456m	£2,296m	£2,274m	2,274m
Rate of CSM release %	6%	6%	6%	6%	6%	6%
IFRS adjusted operating profit	£210m	£264m	£474m	£179m	£199m	£378m
Average AUA	£38.6bn	£39.4bn	£39.0bn	£37.0bn	£38.3bn	£38.0bn
IFRS adjusted operating profit margin (annualised)	**109bps**	**134bps**	**122bps**	**97bps**	**104bps**	**99bps**

See Appendix 20 for footnotes

- Increase in CSM release driven by new business
- Expected investment margin increased from higher level of surplus assets and asset returns
- Returns from assets backing liabilities flat, includes unwind of credit default assumptions, CSM unwinding at locked in rates whereas backing assets earning current rates, offset by temporary new business strain
- Increased trading profit from higher level of management actions undertaken

Appendix 15: Movement in Group Contractual Service Margin, including segmental split

Movement of the Group CSM from 1 January 2024 to 31 December 2024

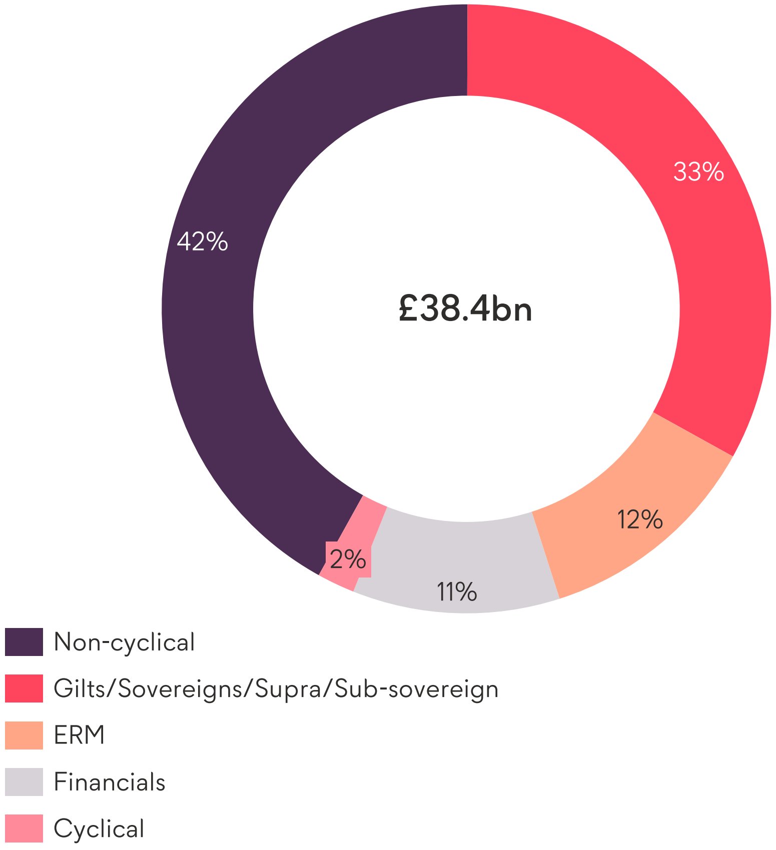


Split by segment:

	Total CSM (gross) as at FY23	New business	Interest accretion	Assumption changes, experience and economics	Other, incl. one-off adjustments	Total CSM (gross) pre release	CSM release	Total CSM (gross) as at FY24	Tax	Total CSM (net) as at FY24
Retirement Solutions	£2,145m	£203m	£57m	£26m	£25m	£2,456m	£(150)m	£2,306m	£(576)m	£1,730m
Pensions and Savings	£201m	-	-	£99m	£(4)m	£296m	£(33)m	£263m	£(66)m	£197m
Europe and Other	£65m	£45m	£4m	£5m	£121m	£240m	£(44)m	£196m	£(49)m	£147m
With-Profits	£442m	-	£6m	£82m	£16m	£546m	£(54)m	£492m	£(123)m	£369m
Total Group	**£2,853m**	**£248m**	**£67m**	**£212m**	**£158m**	**£3,538m**	**£(281)m**	**£3,257m**	**£(814)m**	**£2,443m**

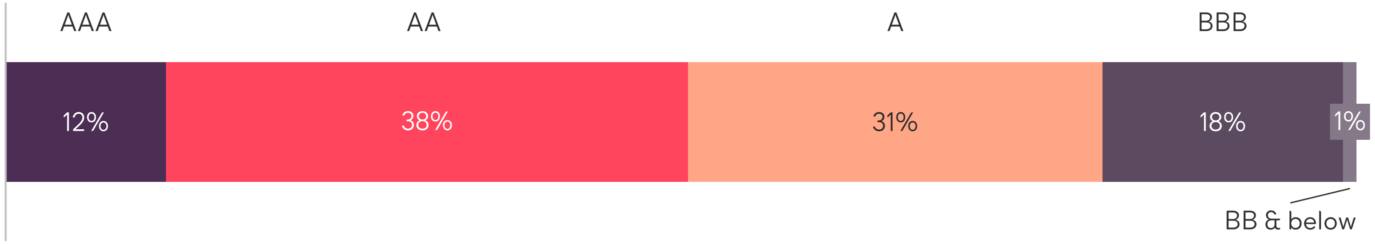
Appendix 16: Shareholder credit portfolio

Prudently positioned shareholder credit portfolio



† Excluding non-rated

Credit rating



✓ Shareholder credit assets are a small proportion of our c.£292bn balance sheet (c.13%)

✓ Our prudent portfolio is c.99% investment grade†

Appendix 17: Diversification of illiquid asset portfolio as at 31 December 2024

Equity Release Mortgages
£4.8 billion with AA rating

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

Private Corporate Credit
£3.1 billion with A- rating

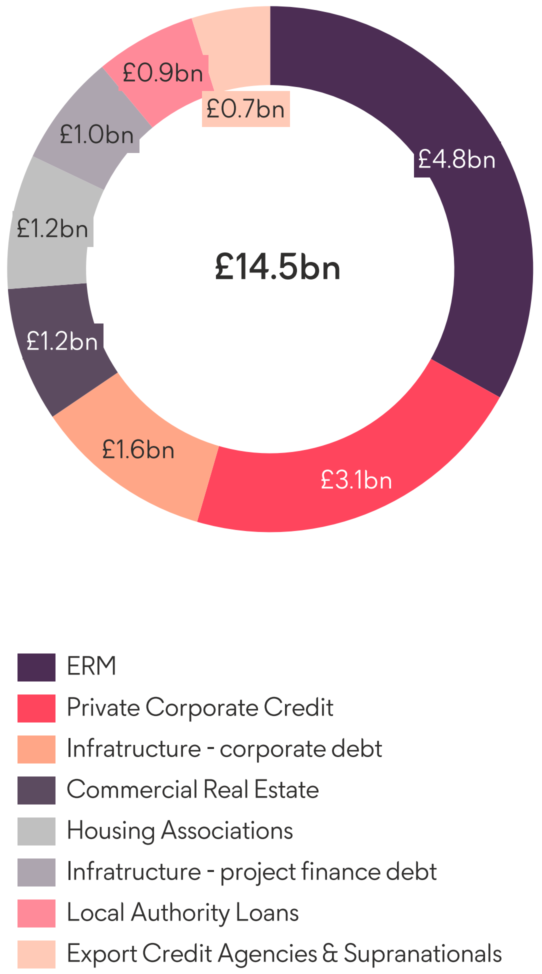
- Diversified portfolio with c.35% of exposure secured on variety of assets
- Loans across 52 different counterparties

Infrastructure – corporate debt
£1.6 billion with BBB+ rating

- Secured on cash flows from long-term contracts with highly rated counterparties
- 10% of portfolio backed by UK Government (directly or indirectly)

Commercial Real Estate
£1.2 billion with BBB+ rating

- Structured with robust covenant protection, a combination of loan-to-value and interest coverage ratio
- Average LTV for portfolio is 51%



Housing Associations
£1.2 billion with A rating

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

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

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

Local Authority Loans
£0.9 billion with A+ rating

- Unsecured but with implicit Government support
- Loans across 35 different counterparties with average loan size of c.£22m

Export Credit Agencies & Supranationals
£0.7 billion with AA rating

- 57% of portfolio is Government-backed
- Loans across 10 different counterparties

Appendix 18: ESG ratings and collaborations

Strong ESG ratings

Ratings agency	FY23	FY24	Change
MSCI	AA	AAA	↑
Sustainalytics	20.3 / medium risk	18.5 / low risk	↑
CDP	A-	A-	↔
S&P Global ESG	61	63	↑
ISS ESG corporate rating	C prime	C+ prime	↑

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

Collaborations and Commitments

Appendix 19: 2025 sustainability commitments

ESG Theme: Planet

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

Key 2025 commitments:

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

ESG Theme: People

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

Key 2025 commitments:

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

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

Appendix 20: Footnotes

1. 31 December 2024 Solvency II capital position is an estimated position.
2. The Shareholder Capital Coverage Ratio excludes Solvency II Own Funds and Solvency Capital Requirements of unsupported With-Profit funds and unsupported pension schemes.
3. Solvency II leverage ratio calculation = debt (all debt including RT1) / SII regulatory Own Funds. Ratio allows for currency hedges over foreign currency denominated debt.
4. The Board will continue to prioritise the sustainability of our dividend over the long term. Future dividends and annual increases will be subject to the discretion of the Board, following assessment of longer-term affordability. At 31 December 2024, distributable reserves at Phoenix Group Holdings plc, the Group's holding company that pays dividends to shareholders, stood at £5,571 million (FY 2023: £4,632 million), supported by sizeable distributions from its main operating subsidiaries which continue to report under UK GAAP and carry significant distributable reserves. In 2024 the Group's main operating subsidiaries generated strong UK GAAP net profits after covering hedging , which supported the cash remittances to Group. In the consolidated IFRS financial statements, the Group is targeting a positive pre-hedge post-dividend IFRS net profit contribution to the IFRS shareholders' equity. The Group accepts the hedge-related volatility that impacts IFRS shareholders' equity, which is a known consequence of our Solvency II hedging strategy that is designed to protect our cash, capital and dividend. In this overall context and consistent with previous guidance, the Board considers that the Group's consolidated IFRS shareholders' equity is not a constraint to the payment of our dividends.
5. Company estimate based on 2024 Broadridge Workplace Provider Benchmarking report.
6. Company estimate based on data from 2024 Broadridge Navigator report, Fundscape, HMRC, ABI, FCA, and financial disclosures.
7. Company estimate based on publicly available information.
8. Company estimate based on 2024 LCP pension risk transfer report.
9. Fundscape 1Q24-3Q24, financial disclosures.
10. Top-5 player BPA, three-year average ranking based on BPA annuity volumes, 2024 LCP pension risk transfer report annual market flows p.a. Individual Annuities market share; internal estimate based on publicly available information.

Appendix 20: Footnotes (continued)

11. The Group identified material corrections to previously reported results, leading to the restatement of 2023 adjusted operating profit from £617 million reported to £629 million, the 2023 loss after tax from £88 million as reported to a profit of £84 million, and 2023 adjusted shareholders' equity from £4,636 million as reported to £4,882 million. Further information on this restatement can be found in note A3 to the consolidated financial statements in the 2024 Annual Report.
12. New business strain principally reflects capital invested into annuities.
13. Other valuation differences include removal of other intangibles such as goodwill and deferred acquisition costs from IFRS (£0.2 billion decrease), differences in technical provision measurement including discount rates and allowance for risk (including TMTP) totalling (£1.1 billion decrease), valuation of debt (£0.2 billion increase), pension scheme availability restrictions (£0.3 billion decrease), and the inclusion of the foreseeable dividend on a Solvency II basis (£0.3 billion decrease) and the associated tax on these adjustments.
14. 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.
15. 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.
16. Rise in inflation: 15yr inflation +50bps.
17. A 15% weakening/10% strengthening of GBP exchange rates against other currencies.
18. Assumes most onerous impact of a 10% increase/decrease in lapse rates across different product groups.
19. Only applied to the annuity portfolio.
20. Property stress represents an overall average fall in property values of 12%.

Appendix 20: Footnotes (continued)

21. 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.

22. Impact of an immediate full letter downgrade across 20% of the shareholder exposure to the bond portfolio (e.g. from AAA to AA, AA to A, etc). This sensitivity assumes management actions are taken to rebalance the annuity portfolio back to the original average credit rating and makes no allowance for the spread widening which would be associated with a downgrade.

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