

# Phoenix Group is Europe's Largest Life and Pensions Consolidator

<b>Vision</b>	Become Europe's Leading Life Consolidator
<b>Purpose</b>	Inspire confidence in the future
<b>Mission</b>	Improve outcomes for customers and deliver value for shareholders

## Company profile

Phoenix, a FTSE 100 company, specialises in the acquisition and management of life and pensions insurance business.

With **£324 billion** of assets under administration and **13.8 million policies**, Phoenix is now the UK's largest long-term savings and retirement business.

Acquisitions have brought scale to Phoenix enabling the delivery of cost and capital synergies. Providing a quality service to customers is integral to the delivery of Phoenix's strategic objectives.

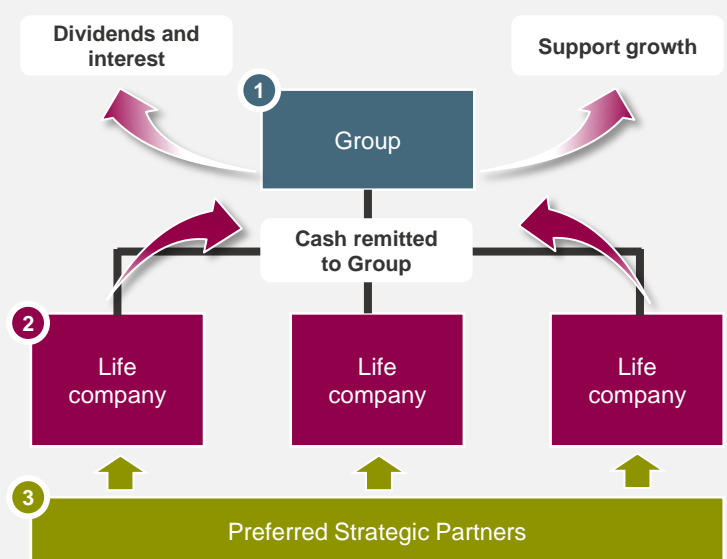
Phoenix's key attributes are:

- **CASH:** Phoenix delivers long-term predictable cash generation;
- **RESILIENCE:** Phoenix has a strong capital position which is resilient to risk events; and
- **GROWTH:** Phoenix has a range of growth opportunities that bring sustainability to our business.

## Phoenix's business model

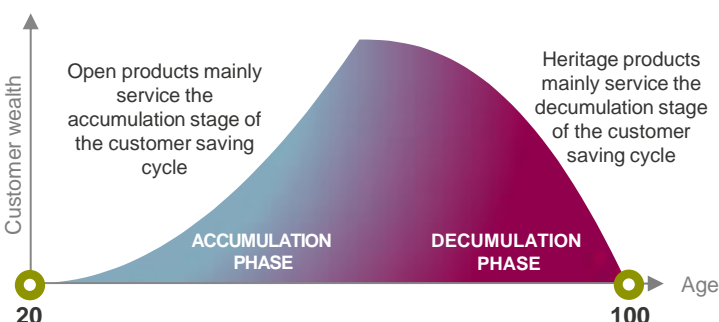
Phoenix has a simple business model and corporate structure which underpin its key attributes of cash, resilience and growth.

- 1 The Group function** manages corporate and strategic activity including M&A. Cash remitted to Group is used to pay interest and dividends and supports growth.
- 2 Life companies** manage the financial assets of customers and integrate acquired businesses. This simplifies the operating model and ensures the efficient use of capital. The life companies remit cash to Group.
- 3 Preferred Strategic Partners (PSPs)** provide outsourced services including investment management, distribution and policy administration.

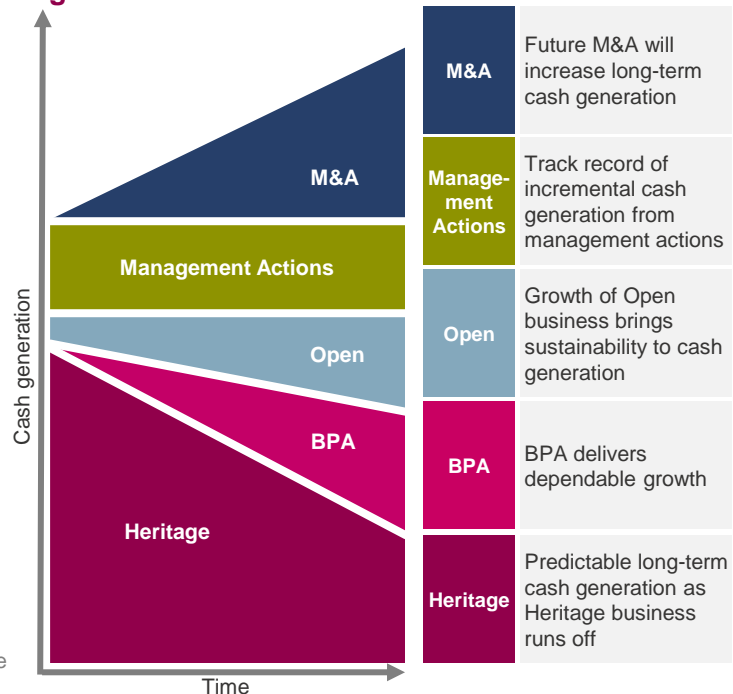


## Phoenix has a broad range of products

Open Business ~ £107 billion AUA	Heritage Business ~ £217 billion AUA
<ul style="list-style-type: none"> <li>• “Capital light” products actively marketed to new and existing customers</li> <li>• Business written more recently under the Standard Life brand</li> <li>• Growth from Strategic Partnership with SLA</li> </ul>	<ul style="list-style-type: none"> <li>• “Capital heavy” products not actively marketed to new customers</li> <li>• Business built through the consolidation of over 100 legacy brands</li> <li>• Growth from annuities</li> </ul>

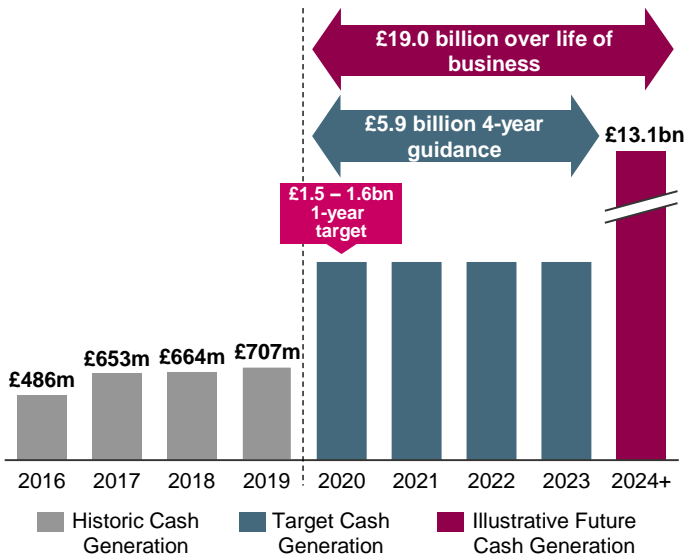


## Phoenix delivers long-term predictable cash generation



# Three Key Attributes: Cash, Resilience, Growth

## Phoenix delivers dependable cash generation...



## ...and is resilient to risk events.

Pro-forma Solvency II SCCR as at 30/06/20

Equities: 20% fall in markets

Property: 12% fall in values

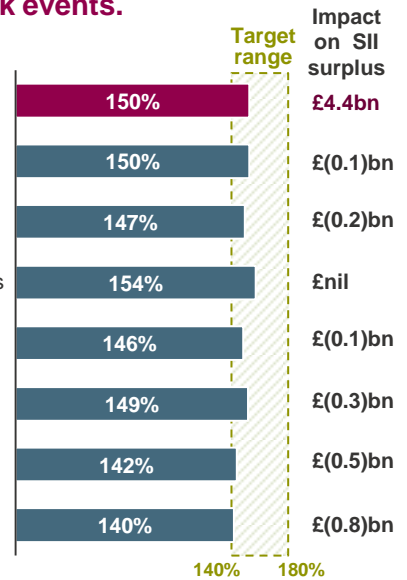
Rates: 73bps rise in interest rates

Rates: 88bps fall in interest rates

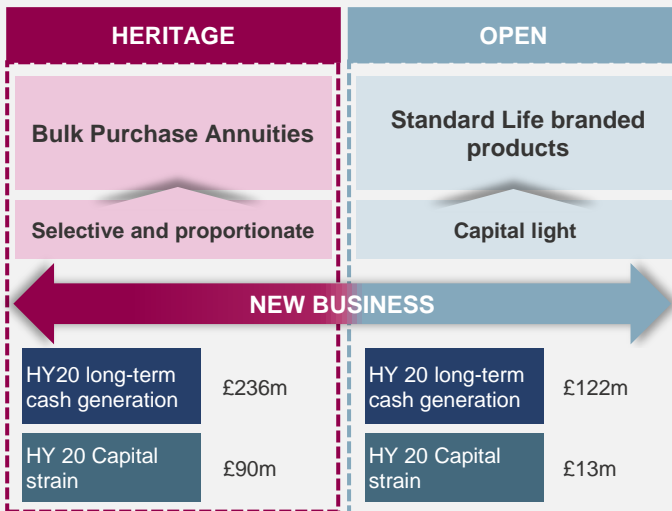
Credit: 120bps widening

Credit: 20% portfolio full letter downgrade

Longevity: 6 months increase



## Growth from new business brings incremental cash generation.....



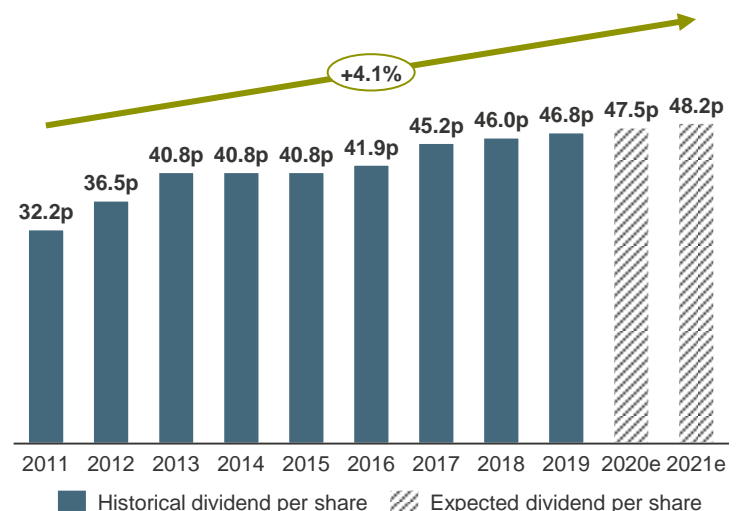
## ...and Phoenix is well placed to benefit strategically from the industry drivers of change

INDUSTRY DRIVER	PHOENIX'S ADVANTAGE
<b>Insurers are consolidating:</b> >£600 billion across the UK, GER and IE	<b>Differentiated</b> capability in Heritage management, unrivalled <b>scalable</b> operating model, <b>leading</b> capability in M&A and integration delivery
<b>Strong DC pension growth:</b> £24 billion DC contributions p.a	UK's <b>largest</b> long-term savings and retirement business, <b>top 3</b> Workplace pension provider, <b>market leading</b> partnership with TCS
<b>Corporates are de-risking:</b> £25 billion p.a. and growing	<b>Better diversification</b> as a result of annuities making up only circa 10% of our UK balance sheet

## Why invest in Phoenix?

- Phoenix has a strong balance sheet that is resilient to risks associated with COVID-19
- Predictable long-term cash generation supporting a stable and sustainable dividend policy
- New business brings sustainability to cash generation
- Growth potential through further life consolidation, with clear competitive advantages and a strong track record
- Met or exceeded all publicly stated financial targets since 2010

## Stable and sustainable dividend with corporate transactions as trigger for uplifts



## Investor Relations contacts

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