

# CORPORATE AND SOCIAL RESPONSIBILITY REPORT 2018



**THE GROUP HAS SEVERAL KEY STAKEHOLDERS THAT TOGETHER HELP SHAPE AND DIRECT ITS SUSTAINABILITY AGENDA – THIS IN TURN CONTRIBUTES TOWARDS BEING PERCEIVED AS A ‘GOOD CORPORATE CITIZEN’, A ‘GOOD EMPLOYER’, AND A ‘SAFE PAIR OF HANDS’ FOR POLICYHOLDERS’ INVESTMENTS.**

THE MANAGEMENT OF STAKEHOLDER ENGAGEMENT IS THEREFORE CONSIDERED KEY TO LONG-TERM SUCCESS.

THE GROUP’S MISSION IS TO IMPROVE OUTCOMES FOR CUSTOMERS, WHILST DELIVERING VALUE FOR SHAREHOLDERS. ITS PEOPLE UNDERPIN EVERYTHING THAT IS ACHIEVED, THROUGH ATTRACTING, RETAINING AND DEVELOPING TALENTED INDIVIDUALS TO DELIVER STRATEGIC AND OPERATIONAL OBJECTIVES. THIS IS ALL CONDUCTED ALONGSIDE AN ESTABLISHED COMMUNITY PROGRAMME THAT AIMS TO ‘GIVE BACK’ AND ADDRESS SOCIETAL NEEDS.

**58%**

ENGAGEMENT IN  
VOLUNTEERING

**£84k**

DONATED TO AIR AMBULANCE  
CHARITY PARTNERS



Find out more about our CSR strategy  
<https://www.thephoenixgroup.com/corporate-responsibility>



**CORPORATE RESPONSIBILITY  
AT PHOENIX IS ABOUT TAKING  
PERSONAL RESPONSIBILITY AND  
CREATING SUSTAINABILITY FOR  
OUR FUTURE GENERATIONS."**

**LUCY SYMONDS**  
CORPORATE RESPONSIBILITY MANAGER



02

## OUR CUSTOMERS

10 million policies with £226 billion of assets under administration. Key products and services include with-profit, unit-linked, non-profit (annuities), non-profit (protection) and workplace pensions.

04

## OUR SUPPLIERS

Following the acquisition of Standard Life Assurance Limited, the Group now has c. 1,000 suppliers of which c. 70 are considered Material Service Providers.

05

## OUR COLLEAGUES

Over 4,000 colleagues based across Europe supporting Phoenix Group, Phoenix Life, Standard Life Assurance and SunLife, and within its operational sites: Wythall, London, Basingstoke, Bristol, Edinburgh, Glasgow, Dublin and Frankfurt.

09

## OUR COMMUNITY PARTNERS

A range of community partners including charities, schools, hospices and local community groups have benefited from the Group's support during the year.

14

## OUR ENVIRONMENT

The Group is committed to managing and reducing its environmental impact and considers the ongoing effects of climate change on its operations.

18

## OUR INVESTORS

The Group maintains an active dialogue with its investors throughout the year.

19

## ECONOMIC, SOCIAL AND GOVERNANCE MEASURES

See at a glance the Group's ESG measures from 2017 and 2018.



More information online at  
[www.thephoenixgroup.com](http://www.thephoenixgroup.com)

# I OUR CUSTOMERS

**THE GROUP RECOGNISES THE RESPONSIBILITY IT HAS TO ALL OF ITS CUSTOMERS, AS BOTH CUSTODIAN OF THEIR FINANCIAL ASSETS AND SUPPLIER OF THEIR PENSION NEEDS OR LIFE COVER. TREATING CUSTOMERS FAIRLY IS AT THE HEART OF THE BUSINESS.**

## CR AIM

We aim to provide customers with a helpful, transparent and fair service, offering a secure home for their investments.



The Phoenix Life website can be accessed at [www.phoenixlife.co.uk](http://www.phoenixlife.co.uk)



For a complete list of 'Our Customers' measures see **P19**

## LISTENING TO CUSTOMERS

Listening to the needs and wants of customers is helpful in delivering good customer outcomes. Feedback is gathered through automated telephone surveys, individual research projects and most recently through talking with the wider 'customer community' about their experiences and how they like to engage with the Group. These interactions help to shape communications and future propositions that may be of interest.

Within Phoenix Life improvements included an online facility for some customers within the retirement process, the launch of secure e-mail as an alternative communication channel, and improvements to the presentation of annual statements and communications.

Within Standard Life Assurance improvements for workplace members and clients included extended opening hours, implementation of a new voice recognition system, a new online registration process and amendments to the investment switching journey online for trust schemes. Face-to-face retirement roadshows were held nationwide, reaching c. 2,000 individuals in 19 locations. Following the roadshow success, retirement webinars were launched.

## DIGITAL PROPOSITION

During the year the Group has continued to develop its digital offering for customers. The Phoenix Life website allows visitors 24/7 access to policy information, whilst reducing the volume of paperwork routinely issued. Selected customers can access a secure website where they can review and update their personal information, view policy details and contact Phoenix. Operationally, Phoenix has selected Diligenta, the FCA regulated subsidiary of Tata Consultancy Services, as its preferred outsource partner to deliver a single, digitally enhanced outsourcer platform that will improve customer outcomes and deliver cost savings for legacy-Phoenix Life policies (c. 5.5 million customers).

Within Standard Life Assurance over 11,000 customers moved into drawdown in the year. Digital was the channel of choice for the majority of these customers, followed by telephony service. Over 3 million logins were recorded across 2018, with the 24/7 mobile app being the easiest way for customers to interact. For customers in non-advised Active Money Pension Plan drawdowns, the Group developed an online retirement review to help customers assess their investment choices based on objectives.

## CUSTOMER COMPLAINTS

The Group acknowledges that mistakes can happen, but where they do it aims to put things right as soon as it can. A robust oversight model is in place to continually monitor complaint activity including those complaints that are referred to the independent services of the Financial Ombudsman Service or the Pensions Ombudsman Service. Best practice is shared with colleagues across the industry to improve complaint-handling services. Work is carried out with internal teams to ensure that causes of complaints are addressed in a timely manner. A significant proportion of complaints are resolved across the Group, in less than three days, which is a key performance indicator for the complaints team and results in a better experience for customers. Over 80% of cases referred to the Financial Ombudsman Service from Phoenix Life were found to be in agreement with the decision made, giving the Group useful insight and assurance into how well complaints are being handled.

## CUSTOMERS IN VULNERABLE CIRCUMSTANCES

Phoenix's vulnerable customer strategy aims to address vulnerability to the extent that the right outcomes for customers are achieved regardless of whether they are living in vulnerable circumstances. The Group's key objective is to be able to recognise vulnerability and then be equipped to take the appropriate action



**POLICYHOLDERS HAVE DILIGENTLY SAVED FOR MANY YEARS IN THEIR POLICIES, AND IT IS UNFORTUNATE THAT THE BENEFITS MAY HAVE BEEN LEFT UNCLAIMED. WE ARE DELIGHTED TO HAVE BEEN ABLE TO REPATRIATE SO MANY OF THESE LOST POLICIES WITH THEIR RIGHTFUL OWNERS."**

**DAVID WOOLLETT**

CUSTOMER DIRECTOR, PHOENIX LIFE



## DEMENTIA ACTION WEEK

Dementia Action Week was supported across all sites. The aim was to raise awareness of dementia, signpost support available for colleagues and their families, and raise valuable donations for Alzheimer's Society, to go towards helping them fund research and improve the lives of those living with dementia.

Five community partners attended an onsite event at the Wythall site to share information on the physical, mental and financial aspects of living with dementia.



Colleagues got the opportunity to meet with Age UK, Living Streets, Alzheimer's Society, Money Advice Trust and Solihull Citizens Advice Bureau. In the UK, there are 850,000 people with dementia, with numbers set to rise to over 1 million by 2025. One in six people over the age of 80 have dementia.

to address it. This is being achieved by having frameworks and practical guidance in place to support the strategy, whilst ensuring there is an appropriate awareness and positive culture instilled throughout the Group in respect of vulnerability.

Within Phoenix Group/Phoenix Life an online training module on customer vulnerability was designed and delivered by Money Advice Trust. Alongside this, colleagues have become dementia friends, with awareness sessions delivered by Phoenix's inhouse dementia champions, helping the Group work towards becoming a dementia-friendly business. The digital team is currently working on a proposal which will look to enhance online accessibility catering for varying customer needs.

Within Standard Life Assurance the Customer Operations team has been working in partnership with Age Scotland and Alzheimer Scotland to deliver training to help colleagues better understand how to handle calls with vulnerable customers. An extensive training programme took place across 2018 which involved face-to-face and e-learning modules. This training programme won 'Excellence in Skills in Learning and Development' at the 2018 Contact Centre Association Awards.

## PROTECTING CUSTOMERS FROM PENSION SCAMS

The Group is dedicated to protecting its customers from financial crime, including pension scams. The Group continues to engage with Regulatory Authorities and Industry Working Groups on pension scams and looks at ways to better protect customers from becoming victims of pension scams. The Group continues to raise awareness of scams and warns its policyholders to remain vigilant of the evolving methods of fraudsters.

## REUNITING CUSTOMERS WITH LOST POLICIES

Phoenix Life reunited 2,380 unclaimed policies with their rightful owner or next of kin following an extensive tracing exercise. The work commenced in September 2016 and to date has reunited policies amounting £12.7 million.

The Group introduced a proactive campaign to ensure the customer or their estate benefited. They enlisted the help of external tracing companies and obtained copies of death certificates, probate and wills in the process.

Phoenix Life has also recently implemented an enhanced 'gone-away' process across its outsource partners to allow the Group to re-engage and communicate with more Phoenix Life customers.

Lost policies can be a particular issue for closed life books as policies under their stewardship can be many years old. When customers cannot be contacted, the funds remain with the insurer but will always be available for payment when the policyholder is traced or comes forward. It's great that so many of Phoenix's customers have been reunited during the year.

## LONG-TERM SAVINGS COMMITTEE APPOINTMENT

The Association of British Insurers ('ABI') has appointed Susan McInnes, CEO of Standard Life Assurance Limited and Director of Open Business as chair to its Long-term Savings Committee. In addition she has taken a seat on the ABI Board and previously held the role of chair to the Long-Standing Customers Committee. The Long-term Savings Committee oversees the direction of all the ABI policy work in relation to pension savings and retirement. Current priorities include the delivery of the pension dashboard and supporting customers to make the most of their new choices at retirement.



**THE LONG-TERM SAVINGS COMMITTEE PLAYS A VITAL ROLE IN SHAPING THE DIRECTION OF THE ABI'S WORK TO HELP PEOPLE SAVE FOR THE FUTURE. WE WANT TO ENSURE CUSTOMERS CONTINUE TO HAVE ACCESS TO THE OPTIONS AND SUPPORT THEY NEED FROM PROVIDERS; UNDERSTAND THEIR CHOICES AND GET A GOOD OUTCOME WHEN THEY COME TO RETIRE."**

### SUSAN MCINNES

CEO STANDARD LIFE ASSURANCE LIMITED,  
CHAIR OF ABI LONG-TERM SAVINGS COMMITTEE

# 2,380

UNCLAIMED POLICIES REUNITED  
WITH RIGHTFUL OWNERS FOLLOWING  
EXTENSIVE TRACING EXERCISES

# £12.7m

REUNITED POLICIES VALUE

# I OUR SUPPLIERS

**THE GROUP HAS C. 1,000 SUPPLIERS OF WHICH C. 70 ARE CONSIDERED MATERIAL SERVICE PROVIDERS<sup>1</sup>.**

**FOLLOWING THE ACQUISITION OF STANDARD LIFE ASSURANCE LIMITED IN AUGUST 2018, ABERDEEN STANDARD INVESTMENTS HAS BECOME ONE OF THE GROUP'S KEY STRATEGIC PARTNERS.**

## CR AIM

We aim to conduct business with suppliers in a sustainable and ethical manner.



The Group's Modern Slavery and Human Trafficking Statement is available at [www.thephoenixgroup.com/mss](http://www.thephoenixgroup.com/mss)



The Group's Anti-Bribery Statement is available on the Group's website at [www.thephoenixgroup.com/abs](http://www.thephoenixgroup.com/abs)



For a complete list of 'Our Suppliers' measures see **P19**

#### Note:

<sup>1</sup> A Material Service Provider has been identified by the Group as a key supplier due to the nature of the services they provide.

## SUPPLY CHAIN MANAGEMENT

Phoenix relies heavily on its service providers to support the delivery of its corporate objectives and management actions, whilst satisfying the outcomes required for all stakeholder groups. A key part of ensuring this takes place is managing the Group's supply chain in a sustainable and ethical manner.

Sourcing and Procurement at Phoenix is far broader than the initial evaluation and selection process in that it ensures that a beneficial relationship for key stakeholders is implemented and managed. The Group works closely with its partners in order to closely monitor the operational and financial performance from Material Service Providers for any indications of instability and steps are taken where necessary and appropriate to mitigate risks to Phoenix or its stakeholders.

For Material Service Providers, Phoenix has a dedicated professional relationship manager assigned. Their role is to govern the relationship, measure and monitor performance and work to continually improve outcomes for all stakeholders.

The Group's Sourcing and Procurement policy sets the minimum operating standards relating to the management of sourcing and procurement risk throughout the Group and forms part of the sourcing and procurement control framework.

Phoenix is organised so that the Commercial Partnerships team manages a decentralised procurement model for low value/low volume spend, to enable the business to operate flexibly but within the controls of the Sourcing and Procurement policy. This has a robust oversight and governance model, administered and managed by the Commercial Partnerships team.

## PROMPT PAYMENT CODE

The Group's culture is to meet its obligations including paying suppliers promptly. The Group voluntarily signed the Government's Prompt Payment Code in 2012 and from January 2018 has been submitting relevant statements under the Small Business, Enterprise and Employment Act 2015 for the duty to report payment practices. The Group is committed to supply chain sustainability and supports the culture of prompt payment in the business community.

## MODERN SLAVERY

Phoenix Group takes active steps to ensure its supply chain is not engaging in any form of modern slavery or human trafficking. In March 2018 a statement was published on the Group website pursuant to Section 54, Part 6 of the Modern Slavery and Human Trafficking Act 2015. The statement details the policies Phoenix has in place and the ongoing actions that will be taken to continue to support the combating of modern slavery and human trafficking in supply chains.

## FINANCIAL CRIME PREVENTION

In order to ensure that any financial crime matters or occurrences are effectively managed, the Group has a number of policies and practices in operation. The Group's Anti-Bribery policy addresses bribery and corruption risks alongside the Financial Crime policy which addresses risks such as anti-money laundering and fraud.

Both policies detail the minimum control standards and risks that are to be managed to mitigate any potential issues.

Adherence to the Anti-Bribery and Financial Crime policies is managed by the Financial Crime team via assessments of the minimum control standards that make up the policies, as well as themed Financial Crime Reviews and Assurance testing.

Colleagues are required to complete annual computer-based training around both financial crime prevention and adherence with the Code of Business Ethics and Ethical Conduct. Colleagues are also required to complete a Gifts and Hospitality Register which is overseen and managed by the Financial Crime team.

The Group has a zero tolerance towards bribery and corruption in all its forms and adheres to the 2010 Bribery Act. Service providers are advised of and engaged in the zero tolerance approach to bribery and corruption and are expected to comply with Phoenix's minimum control standards.

No instances or breaches were recorded during the year.

**c.1,000**  
**SUPPLIERS**

# OUR COLLEAGUES

**PHOENIX GROUP IS INCLUDED IN THE UK'S TOP EMPLOYERS LISTING; CERTIFICATION AWARDED TO ORGANISATIONS THAT MEET THE HIGHEST STANDARDS IN HUMAN RESOURCES POLICY BENCHMARKING. THE GROUP IS INDEPENDENTLY RECOGNISED AS BEING ONE OF THE BEST COMPANIES TO WORK FOR IN THE UK.**



Read more about diversity and inclusion on our website at [www.thephoenixgroup.com/diversity](http://www.thephoenixgroup.com/diversity)



For a complete list of 'Our Colleagues' measures see **P20**

## CR AIMS

We aim to be an employer of choice, offering rewarding careers and opportunities.

We aim to support the physical, mental and financial wellbeing of colleagues in the workplace.

We aim to promote the diversity agenda empowering a wholly inclusive workforce.



The Group's Human Resources ('HR') policy defines people risk, which, if unmanaged, could result in a reduction in earnings or value, through financial or reputational loss. The minimum control standards in place enable effective management around the attraction, recruitment, development and engagement of staff, whilst ensuring compliance with any legislation and external regulatory requirements.

Adherence to this policy is managed by the Group Human Resources department via quarterly assessment of the minimum control standards. There were no material issues raised during the year.

This section will detail actions taken and outcomes achieved across the year.

## EMPLOYEE CONSULTATION

The Big Conversation was a significant listening exercise that was undertaken within Phoenix Group and Phoenix Life at the start of the year to raise the level of dialogue around the Group's values, and provided greater clarity around associated behaviours. Through a series of facilitated workshops and online channels, colleagues were given the opportunity to voice their opinions on what they perceived as positive or negative behaviours, with a view to developing a common understanding across all levels of the business. The outcomes were shared with colleagues and provided a clear framework for how individuals are recognised, developed and recruited. The values were continually reinforced throughout the year and culminated in an employee-led recognition awards process, whereby colleagues were asked to nominate individuals who they believed displayed particular values across the year.

The Group operates a Whistleblowing policy, prompting colleagues to disclose information where they believe wrongdoing, malpractice or risk exists across any of Phoenix's operations. Colleagues are encouraged to speak up about matters that concern them, with the understanding that confidentiality will be maintained.

Colleagues within Standard Life Assurance have access to Vivo, an employee consultation group based onsite. Championing the employee voice, it provides support and advice when employees need it most, and is actively engaged in any decisions affecting working life.

## CULTURAL SURVEY

In the absence of an engagement survey for 2018, the Group issued a cultural survey to colleagues across the enlarged Group. A series of questions were asked concerning what individuals would like to see in the future. This insight will help the Group shape its values and understand more about what is required to create a high-performing organisation.

## DIVERSITY AND INCLUSION

Phoenix was one of the first companies to sign HM Treasury's Women in Finance Charter. The Charter is a commitment for signatory firms to work together to build a more balanced and fair industry. Targets for gender diversity are published annually on the Group's website. Targets set for completion by end of 2018 were not met, as they were largely impacted by changes in senior management through acquisition, structural changes, resignation and retirement. From 2019, the Group will report progress based on the combined entities, with a commitment to achieve targets by end of 2021. The Group remains committed to creating an inclusive and positive environment for all employees.



**OVER HALF OF THE PHOENIX GROUP AND PHOENIX LIFE POPULATION ARE VOLUNTARILY PARTICIPATING IN ONE OR MORE OF THE SHARE-SAVE OR SHARE INCENTIVE PLANS, BENEFITING IN THE GROUP'S INCREASED SHARE PERFORMANCE."**

**STEPHEN JEFFORD**  
GROUP HR DIRECTOR

### EMPLOYEE NETWORKS

The Group values the power of its employee voice. Various networks are in operation across the enlarged Group, with a common goal of collaboration.

Work has commenced to merge and replicate some of the networks, creating a common focus and support network across sites.

The 'Engagement Forum' is the longest standing network, which welcomes members from all functions and levels of seniority. This group is invited to meet with the management team on a quarterly basis to share views and shape future engagement activity. A similar network called Ignite operates within Standard Life Assurance, encouraging colleagues to be involved and positively influences everyday engagement activity.

Various other employee-driven networks exist which have a common aim of creating a more supportive and inclusive working environment.

Balance – which incorporates the former 'Professional Women's Network' aims to raise awareness of gender diversity, promoting an inclusive environment where everyone can thrive.

The 'Young Person's Development Network' aims to connect individuals across the organisation, providing a platform for individuals to learn, share and develop as they start out in their career journey.

The Group has a 'Lesbian, Gay, Bi-sexual and Transgender Network' – Affinity in operation, encouraging connections and a safe place to share common experiences, issues or challenges.

A Black, Asian and Minority Ethnic ('BAME') Network – Mosaic exists to identify and address any barriers to development and career progression.

The network enhances cultural awareness and creates a more inclusive and diverse workforce.

The 'Armed Forces Network' supports the recruitment of Armed Forces personnel into the business. In October 2018, the Armed Forces Covenant was signed by the Group.

'Carers Network' and 'Working Parents' Network' are two groups providing education and support to colleagues with varying caring responsibilities outside of the workplace.

A new mental health network, Mind Matters was launched initially within Standard Life Assurance. Its purpose is to generate healthy conversation in the workplace around mental health issues. This network will be rolled out to other colleagues in 2019.

# 95%

**OF PHOENIX GROUP/PHOENIX  
LIFE COLLEAGUES PARTICIPATE  
IN THE FLEXIBLE BENEFITS SCHEME**





## LEARNING AND DEVELOPMENT



The Talent and Development team designs and delivers a varied programme of learning and development activities including leadership development, talent programmes, skills training, online learning, coaching and mentoring.

As part of the Group's HR processes, there is an established succession plan which tracks internal succession across all material roles and enables appropriate assessment of skills gaps. The plan identifies talent across the broader organisation. Growing talent continues to deliver the Group's most senior appointments and talent programmes in Accounting, Actuarial and Change help to identify future leaders.

# +100

MENTORING PAIRS



**THE GRADUATE DEVELOPMENT PROGRAMME OFFERS OUR GRADUATES AN OPPORTUNITY TO ENGAGE IN A HOLISTIC PROGRAMME OF PERSONAL AND PROFESSIONAL GROWTH, GAIN A BROAD KNOWLEDGE AND UNDERSTANDING OF OUR BUSINESS, AND DEVELOP STRONG NETWORKS TO SUPPORT THEIR ONGOING CAREERS. THE PROGRAMME ALSO OFFERS A PIPELINE OF WELL-ROUNDED TALENT WHO CAN HELP SHAPE AND ACCELERATE OUR FUTURE PROGRESS."**

**SHARON WALLACE**

LEARNING AND EARLY CAREERS CONSULTANT



The Group also selects key partners to provide a wide range of learning and continual professional development opportunities including the Chartered Management Institute, Corndell, Moving Ahead and the ACCA. Relationships continue with business schools and executive coaches to develop the Group's most senior talent pipeline.

The Professional Women's Network launched a mentoring scheme with Moving Ahead which is available to colleagues across the Group and at any level. Over 100 mentoring pairs are currently working together, breaking down silos and developing a culture of mentoring, learning and knowledge sharing. In addition, the Group participated for a second year in the Actuarial Mentoring Programme, providing support and guidance to newly qualified female actuaries.

As part of the Early Careers proposition, Standard Life Assurance currently has 24 graduates who form part of the Graduate Development Programme based in Edinburgh, in cohorts from 2017 and 2018. In addition 10 mentors are actively engaged in providing monthly mentoring sessions to young people across the Edinburgh area, through the Career Ready development programme. The Group has fully utilised the Apprenticeship levy funding working in partnership with Corndell and has over 100 programmes underway including Project Management, Leadership, Data analytics and Accountancy enabling skill development across the Phoenix management population.



### REWARD

The Group continues to attract, develop and retain talented individuals by offering a comprehensive range of benefits and development opportunities. All employees are paid at least the Living Wage as set by the Living Wage Foundation.

95% of colleagues within Phoenix Group and Phoenix Life participate in the flexible benefits scheme, which allows benefits to be selected that meet personal circumstances. Examples include cycle to work schemes, home technology and smart phones, critical illness cover through to health assessments and enhanced life cover. For 2018 buying and selling annual leave remained the most utilised, followed by childcare vouchers and insurance-related products.

Private medical insurance cover is available to all colleagues across the Group regardless of their status within the organisation.

All Group employees participate in an Annual Incentive Plan and are able to become shareholders in the Company. Over half of the Phoenix Group and Phoenix Life population are voluntarily participating in one or more of the share-save or share incentive plans, benefiting in the Group's increased share performance.

### EMPLOYEE WELLBEING

The Group's wellbeing programme covers physical, mental and financial matters, offering colleagues and their dependants information, tools and resources covering a range of topics. A programme of wellbeing activity took place during the year which included onsite health-checks, flu vaccinations, self-care workshops and awareness of musculoskeletal issues. A programme of Mental Health First Aid training and bespoke mentally healthy workplace workshops were offered across the year.



Four dementia champions have been trained by Alzheimer's Society to deliver awareness sessions to colleagues onsite. During 2018, 278 dementia friends were created. In addition colleagues can benefit from subsidised onsite massage, discounted gym membership and fitness classes at the larger sites.

Building on the success of the previous year's wellbeing partnership with Living Streets charity, the Group joined forces to offer additional cultural led-walks for colleagues in London and Basingstoke. The Group's efforts were featured in the City of London's Active Travel – Best Practice Guide for 2018. Launched in National Walking Month 2018, Wythall colleagues were trained to deliver weekly walks targeted at individuals aged over 65.

'Wythall Walking Friends' was a six-month pilot which improved the physical and mental wellbeing of colleagues and members of the local community. This wellbeing initiative will be replicated in 2019 and expanded to reach additional beneficiaries. Colleagues across the Group have access to an Employee Assistance Programme which provides free, independent and confidential advice on all matters affecting an individual's wellbeing.

The Group was named as National and Regional Winner in the Chamber Business Awards 2018 for 'Workplace Wellbeing' and finalists in Herefordshire and Worcestershire Chamber of Commerce annual awards.

### HUMAN RIGHTS

The Group is committed to ensuring that human rights are respected and processes are in place to remove any human rights issues both internally and externally via outsourced relationships.

In line with the Equality Act 2010 and in order to ensure that the Group is aligned to relevant Articles of the United Nations Universal Declaration of Human Rights, the Group has a Dignity at Work policy in place. The policy covers bullying and harassment of and by managers, employers, contractors, suppliers, agency staff and other individuals engaged with the Group.

All colleagues are required to comply with the policy and take appropriate measures to ensure harassment and bullying does not occur.

Adherence to the policy is managed by the Group HR department via assessments of the minimum control standards, which ensure effective resolution of employee disputes.

In addition all colleagues are required to complete annual computer-based training in Business Ethics and Ethical Conduct. During the year the Group effectively resolved all employee disputes and as a result was involved in no employment tribunals.

### HEALTH AND SAFETY

The Group operates a Health and Safety policy which helps the organisation to effectively manage risks and any adverse effects. Health and Safety risks that are not properly managed could lead to a reduction in earnings and/or value through financial or reputation loss associated with adverse impacts on the health and safety of employees, customers and third parties in the workplace.

The Group had three reportable accidents during 2018 which were reported to the Health and Safety Executive under the Reporting of Incidents, Disease and Dangerous Occurrence Regulations ('RIDDOR').

All colleagues are required to complete annual computer-based Health and Safety training. Arrangements are in place to manage onsite facilities across all sites, ensuring the working environment is kept clean and secure.



# I OUR COMMUNITY PARTNERS

## CR AIMS

We aim to contribute to our local communities – providing donations, skills, time and resources to the cause.

We aim to improve educational opportunities and life chances for individuals in our local community.



For a complete list of 'Our Community Partners' measures see **P21**



## PHOENIX GROUP'S CHARITY PARTNERS OF THE YEAR

It is recognised that the true value of a corporate charity partnership allows the Company and employees to explore opportunities beyond just monetary value, often leaving a lasting legacy with those involved. Now into its fifth year of the six-year partnership with Midlands Air Ambulance Charity and London's Air Ambulance Charity, the Group is continuing to use this collaboration to engage colleagues in fundraising, skills-based volunteering and events.

The Group has donated in excess of £770,000 between these two air ambulance charities since 2014. A festive fundraising 'Reindeer Run' through the streets of London, raised over £21,000 (including matching) for the combined charities. Other fundraising efforts during the year have involved raffles, football tournament, sale of greeting cards, annual Phoenix Mile walking event onsite, and a charity corporate dinner for 200 of the Group's key supply chain contacts. 30% of Phoenix Group/Phoenix Life colleagues regularly contribute to 'Pennies from Heaven' which is a Give as you Earn scheme, allowing participants to donate the pennies from their monthly net pay to the charity partners.

For 2019, the Group will enter into two further corporate charity partnerships, helping to unite the enlarged Group with fundraising for a common cause. Colleagues in Scotland will be supporting Scotland's Charity Air Ambulance and colleagues in Basingstoke will support Hampshire and Isle of Wight Air Ambulance. A donation of over £31,000 was presented to Scotland's Charity Air Ambulance in recognition for colleague participation in onsite lottery, Give as you Earn and a raffle for the period September to December 2018.



# £770k

**DONATIONS TO MIDLANDS AIR AMBULANCE CHARITY AND LONDON'S AIR AMBULANCE CHARITY SINCE 2014**

SunLife commenced a two-year partnership at the start of the year with Alive Activities Limited, enriching the lives of older people in care and providing training resources for carers. Colleagues at the Bristol office exceeded their fundraising target for the year by raising over £6,000 for the charity.

Further afield the German charity partner for 2018 was Hilfe für krebserkrankte Kinder Frankfurt e.V who received a donation of €13,486.30 to aid children with cancer and the Austrian charity partner was Oesterreichische Krebshilfe Wien who received €6,000, to support individuals living with cancer. Colleagues in Ireland have reviewed partnership opportunities and from February 2019 will be partnering with Irish charity, ALONE, which helps older individuals in the community.



## OTHER CHARITABLE DONATIONS

Colleagues based in the UK can fundraise for any UK-registered charity through the 'Our Community, Your Choice' programme and apply for matching. All applications must meet the Group's charity criteria, and not be deemed political or religious.

Over £17,000 was donated across the year through onsite fundraising, primarily benefiting causes in the local area. Beneficiaries included: Macmillan Cancer Support, Alzheimer's Society, Street Support Network Limited, St Michael's Hospice in Basingstoke and the City's Lord Mayor's Appeal.

To welcome Standard Life Assurance colleagues to the Phoenix family, a charity vote was held onsite in September 2018. St Columba's Hospice in Edinburgh received the most votes and was awarded a community donation of £10,000, and runner-up donations of £6,000 and £4,000 were awarded to Scotland's Charity Air Ambulance and Streetwork in Edinburgh.



## OUR COMMUNITY PARTNERS CONTINUED

In addition, for Dublin colleagues €4,000 was donated to The Peter McVerry Trust to help reduce homelessness and the harm caused by substance misuse and social disadvantage.

Through the staff-matched fundraising scheme, individuals are able to participate in charitable activity in their own time, and request matching of the amount raised. This also includes an element of 'payment in lieu of volunteering' whereby colleagues may regularly support UK-registered charities outside of business hours. Over £52,000 was donated across the year.



# £52k

**DONATED THROUGH STAFF-MATCHED  
FUNDRAISING SCHEME**

### COMMUNITY WELLBEING

The Group extended its focus on wellbeing to members of the Wythall community, where Phoenix is considered one of the largest employers in the area. A unique initiative named 'Wythall Walking Friends' was launched in conjunction with Living Streets charity to help tackle social isolation in individuals aged over 65, through the delivery of regular community led-walks.

Volunteers were trained to lead the walks, helping to reduce loneliness, encourage new friendship groups and increase the exercise potential within the group, thus helping to reduce the risk of depression and dementia.

The Group has been assisting Alzheimer's Society with raising awareness of dementia onsite and in the community.

Four colleagues are trained as dementia champions and have run awareness sessions to over 160 members of the community, reaching NHS dieticians at Moseley Hall Hospital and pupils within Ark Kings Academy. In addition colleagues attended the Bromsgrove Pensioners Advice and Information Fair, showcasing Phoenix engagement activity that directly improves community wellbeing, for example Age UK's Men in Sheds project.

Current figures suggest there are 10.8 million over 65's in the UK, 3.8 million of whom live alone. One million older people say they always, or often, feel lonely, and 17% see their family, friends or neighbours less than weekly. The 'Walking Friends' concept builds on the idea that establishing community programmes based around the simple act of going for a local walk with a companion could help to tackle loneliness.

# 160

**DEMENTIA FRIENDS CREATED  
IN THE COMMUNITY**



**LONELINESS IS ONE OF THE  
BIG SOCIAL CHALLENGES OF  
OUR AGE. WYTHALL WALKING  
FRIENDS IS A HUGEY EXCITING  
PROJECT TO SEE HOW COMING  
OUT WALKING REGULARLY CAN  
BE AN ANTIDOTE TO ISOLATION."**

**JOE IRVIN**  
CHIEF EXECUTIVE, LIVING STREETS



Watch the Walking Friends video at  
[vimeo.com/299019514](https://vimeo.com/299019514)



Learn more about Living Streets  
[www.livingstreets.org.uk/about-us/  
our-work-in-action/wythall-walking-friends](http://www.livingstreets.org.uk/about-us/our-work-in-action/wythall-walking-friends)



## SCHOOL PARTNERSHIPS

The Group continues its partnership with Ark Kings Academy in Kings Norton, working on a variety of mutually-beneficial initiatives across the year. The Group part-funded the 2018 – 2019 academic year Place2Be mental health service onsite, assisting pupils, their families and teaching staff with wellbeing and enrichment support.

Volunteers provide weekly financial literacy and reading skills support to pupils and joined in celebrations for National Table Tennis Day, promoting wellbeing onsite. The music department was the focus for this year, inspiring the youth in creative arts. Donations from the Group included staging and lighting towers, branded t-shirts and end-of-year concert support.

The school was awarded a Gold Standard by the Incorporated Society of Musicians, recognising the high level of uptake and attainment in GCSE music, and commitment to the subject. The school's choir 'Phoenix Singers' performed to colleagues onsite at Wythall during their festive lunch celebrations.

In London our colleagues have supported St Joseph's Primary School, where pupils are visited on a weekly basis, helping to develop reading skills. In addition, the Group's CEO and management team visited Draper's Academy in Harold Hill, to share their experiences of working life and routes into the profession. They also took time to read with pupils with Special Educational Needs.



**THE SUPPORT OF PHOENIX GROUP HAS VERY MUCH HELPED WITH THE DEVELOPMENT OF MUSIC ONSITE. WE ARE DELIGHTED TO HAVE ACHIEVED THIS AWARD AND LOOK FORWARD TO CONTINUING TO WORK ON ADDING EVEN MORE OF A PROFESSIONAL POLISH TO OUR PERFORMANCES."**

**ROGER PUNTON**  
PRINCIPAL, ARK KINGS ACADEMY



## OUR COMMUNITY PARTNERS CONTINUED

### COMMUNITY INVESTMENT

The Group has worked closely with various community partners over the year, offering support in both financial and non-financial ways. Phoenix was premier sponsor of the 'Wythall and Hollywood Fun Run' which included a 10km, 5km and 1.5km run through the heart of Wythall's community and entered the site's grounds as part of the official distance. Standard Life Assurance sponsored a team for the annual Social Bite sleep in the park, which 22 colleagues participated, helping to raise awareness of homelessness in Scotland. Meeting room facilities at the Wythall site were freely available to Acorns Children's Charity and Coppice School who provided times-table training to 39 school representatives, benefiting the education of over 11,000 pupils within the Midlands area.

In addition the grounds have been loaned to Wythall Transport Museum and Kings Norton Marching Band. The Group signed the Literacy Pledge for 2018, helping to raise literacy levels and increase social mobility within the UK.

Volunteers currently support Ark Kings Academy in Birmingham and St Joseph's Primary School in London with reading programmes.

In Dublin, a volunteering in schools programme, arranged in conjunction with Junior Achievement Ireland, works to keep children in education, therefore improving employment and life outcomes.

Whilst this programme commenced before the Standard Life Assurance acquisition, the year's achievements included motivating 412 students across 15 schools.

Four Career Ready interns were offered a paid placement, enabling valuable work experience and the Nigel Monaghan Apprenticeship for school leavers was launched, providing a six-month paid work experience placement.

Within the Edinburgh office, 10 young people are engaged with the Career Ready programme, receiving regular mentoring sessions with colleagues, helping to expand their educational opportunities. The Group has supported Citizens Advice Solihull Borough with the creation of a new charity shop in Chelmsley Wood, Birmingham. The premises were equipped with furniture donations and wares from the Group.

### COMMUNITY AWARDS

A series of internal community awards were presented to colleagues at the Wythall site recognising those who have contributed to the programme. Examples include 'fundraiser of the year', 'community ambassador' and 'volunteer of the year'. The awards recognised individuals who had added value to the corporate responsibility programme across the year, engaged team members and gone the extra mile to help their local community.





## VOLUNTEERING

Employees regularly volunteer on either an individual basis or with their team to make a difference in their local community.

Employees within Phoenix Group and Phoenix Life are permitted 14 hours per year during working hours to support a variety of causes. 58% of colleagues participated in this year's volunteering programme contributing 3,547 hours.

There has been a shift in more colleagues wishing to participate in skills-based volunteering, offering their time to be mentors, reading buddies and number partners at local schools. At the SunLife operations in Bristol, volunteering is also a key part of their culture, with 87% of colleagues contributing 700 hours across the year to causes within their local community.

Within Standard Life Assurance colleagues are permitted up to three days community volunteering lieu time for activities they are engaged with inside and outside of working hours. In the period since September 2018, 1,533 hours were donated to community causes. The Armed Forces Network organised a day for volunteers to help collect donations for Poppy Scotland in Edinburgh.

Phoenix Group was a finalist in the Chartered Institute of Personnel and Development ('CIPD') annual awards, for Best Skills-based Volunteering Initiative.

This accolade recognised the contribution that volunteers made in supporting Midlands Air Ambulance Charity with its Practical Quality Assurance System for Small Organisations ('PQASSO') Level 2 accreditation.



**IT WAS GREAT TO BE ABLE TO SEE THE PROCESS THROUGH FROM START TO FINISH, DEMONSTRATING THAT THIS TYPE OF VOLUNTEERING CAN BE REALLY BENEFICIAL TO ALL INVOLVED. TO HEAR THAT MIDLANDS AIR AMBULANCE CHARITY PASSED THE PQASSO LEVEL 2 ACCREDITATION MADE ME FEEL SO PROUD OF THE CHARITY AND ESPECIALLY OUR PART IN THE PROCESS."**

**KAREN REYNOLDS**  
LIFE FINANCE SENIOR RISK ANALYST



# I OUR ENVIRONMENT

**OUR CORPORATE RESPONSIBILITY PROGRAMME SUPPORTS OUR COMMITMENT TO MONITORING AND REDUCING OUR ENVIRONMENTAL FOOTPRINT. HAVING AWARENESS OF THE POTENTIAL IMPACTS OF CLIMATE CHANGE IS OF GLOBAL IMPORTANCE, HOWEVER IS NOT CONSIDERED A MATERIAL RISK TO THE WORKING PRACTICES OF THE GROUP.**

## CR AIMS

We aim to minimise our impact on the environment – putting back what we take out.

We aim to invest in further green initiatives to help address global climate change.



For a complete list of 'Our Environment' measures see **P21**

The Group's environmental aim is to 'put back' what it takes out. As a financial services organisation, the Group's impact on the environment is minimal when compared with other industries.

Various employee-led initiatives continue to take place each year, focusing largely on internal resource-use, and the 3 R's – reduce, re-use and recycle. From an energy contract point, the Group now uses only 100% renewable resources in its owned properties.

The Corporate Responsibility Steering Committee reviews environmental progress and agrees activity for future implementation such as the installation of electric vehicle charging facilities, scheduled for April 2019 at the Wythall site.

## INTERNAL PRINT RESOURCE

Reducing print and paper consumption onsite remained one of the Group's primary environmental focuses across 2018.

Phoenix Group and Phoenix Life colleagues now receive quarterly personalised dashboards detailing print usage and ratio of colour print, so they can directly manage what impact their print habits have on the wider environment. With technological advances in Information Technology and greater availability to online content the Group's print and paper consumption is moving in the right direction.

Phoenix Group and Phoenix Life have two internal Key Performance Indicators that colleagues are working towards: To reduce the volume of colour print to less than 50% of all print output onsite, and to reduce personal monthly print to less than 300 pages per individual.



## WASTE MANAGEMENT

All core sites continue to divert 100% of their waste from landfill with a detailed monthly report outlining the volume of waste and method of disposal or recycle. The London office, which is shared tenancy, achieved an accolade for its achievements in waste management, waste minimisation and re-use in the form of the Clean City Awards Scheme.

Donations of old furniture, carpet tiles and electrical equipment were distributed to various community partners in the Wythall area, reducing the requirement for waste removal, but adding value by creating a new lease of life for the items being donated.

In addition, LED lighting has been installed in three core staircases and other common areas within the Wythall site. The aim was to make the building more energy-efficient, whilst reducing ongoing energy usage. Colleagues across the enlarged Group were given a re-usable cup to mark the start of a new chapter in Phoenix Group's journey with Standard Life Assurance.

At the Wythall site, colleagues have reduced one-use paper-cup consumption by an estimated 30% since go live. Plans are underway to move to a more sustainable biodegradable cup in 2019, with a view to eliminating other forms of one-use plastic onsite.





## RESPONSIBLE INVESTMENT

The Group has completed several green investment deals across the year, signifying the importance it places on the wider environment. This signified a new area of investment for the Group, helping to diversify the overall investment portfolio. The first was a £27 million investment in renewable energy at the Walney Extension Project, assisting with the construction and operation of the enlarged offshore wind farm, situated 45 miles north of Liverpool. This project now provides clean energy to a large number of UK homes. Phoenix participated in providing debt-financing for the acquisition of a 50% share in the project.

A further investment was £50 million in Anglian Water's green projects. The proceeds are to be used to help finance projects that will mitigate climate change impacts and the conservation of water resources.



**THESE INVESTMENTS MARK AN IMPORTANT FIRST STEP FOR THE GROUP IN RENEWABLE ENERGY AND IS PARTICULARLY SUITED TO OUR AMBITIONS. WE HOPE TO SEE FURTHER PROJECTS OF THIS NATURE IN THE FUTURE."**

**SCOTT ROBERTSON**

HEAD OF FINANCIAL MANAGEMENT  
GROUP, PHOENIX GROUP

**£27m**

**INVESTMENT IN RENEWABLE ENERGY  
AT THE WALNEY EXTENSION PROJECT**

## CLIMATE CHANGE

Phoenix's vision is to be Europe's leading life consolidator and although it continues to be a predominantly Heritage business, it now also has a substantial Open business element. As the Group is a consolidator of life insurance funds, rather than general insurance, it does not consider climate risk as a principal risk. Climate change is one of the risks considered in the Group's horizon scanning activity and the Group continues to focus on the potential impacts of this risk, for example:

- The Group uses external managers for the vast majority of its assets who consider a broad range of environmental, social and governance ('ESG') factors in their selection and management of our investments. With the view that ESG and social impact investing can deliver better risk adjusted returns, Phoenix is developing its own ESG policy in support of this. Over 2018, Phoenix has invested in a number of ESG-related opportunities, including renewable energy and green initiatives.

- Expanding the Group's programme of qualitative and quantitative scenario analysis to take account of the potential impact of climate change scenarios; and to ensure this is appropriately reflected in the Group's risk management framework.
- Continuing to engage with our regulators on the impact on the Group of near term physical and transition risks associated with climate change.
- Continue to consider the requirements of consultations associated with the risks of climate change and engage with industry bodies on the Group's response where appropriate.

## GREENHOUSE GAS EMISSIONS

### Absolute GHG emissions data in tonnes of CO<sub>2</sub>e

Emissions, tonnes of CO <sub>2</sub> e from:	2018		2017
	(location-based)	(market-based)	(location-based)
Combustion of fuel and operation of facilities (Scope 1)	1,402	1,402	1,203
Electricity, heat, steam and cooling purchased for own use (Scope 2)	2,990	3,042	2,754
Total Carbon Footprint (Scopes 1+2)	4,392	4,444	3,957

### Phoenix Group's chosen intensity measurement<sup>1</sup>

	2018	2017
	(location-based)	(location-based)
Emissions reported above on a per floor area intensity	63 kg CO <sub>2</sub> e/m <sup>2</sup>	64 kg CO <sub>2</sub> e/m <sup>2</sup>
Emissions reported above on a per full-time equivalent employee (FTE) intensity	3.8 tonnes CO <sub>2</sub> e/FTE	3.5 tonnes CO <sub>2</sub> e/FTE

Note:

<sup>1</sup> Our intensity measurement calculations exclude former Standard Life Assurance Limited properties to avoid skewed intensity results over the two-year period.



## CONSERVATION

Working with Bromsgrove District and Redditch Borough Councils, colleagues have donated 750 volunteering hours to improving the various parklands within the Midlands area. Their efforts have assisted with creating a bark path, building dead hedging and a wildlife hibernaculum, painting benches, planting floral displays and removing the invasive Himalayan balsam from the waterways.

The Group continues to partner with the Heart of England Forest, planting in excess of 6,000 broadleaf trees since 2013. The Group is proud to have its own 'Phoenix Way Wood'.

Pupils from partner school Ark Kings Academy were invited to the education centre at the Forest, to spend a day exploring the greater outdoors. The SunLife operation in Bristol is also a member of the Woodland Trust.

There has been a shift in 2018, with colleagues wishing to support more outdoor environmental-based volunteering projects. The Group has supported the Canal and River Trust, Warwickshire Wildlife Trust and National Trust across the year.

This volunteering encouraged healthy exercise whilst taking part in environmentally-focused activities which will benefit future generations.



**THE IMPACT OF THIS ENTHUSIASTIC VOLUNTEERING PROGRAMME HAS ENSURED BOTH COUNCILS HAVE MET AND EXCEEDED EXPECTATIONS FOR DELIVERY OF BIODIVERSITY AND OTHER LANDSCAPING IN OUR PARKS. THE TEAM LOOKS FORWARD TO MEETING FURTHER VOLUNTEERS AGAIN NEXT YEAR AND HOPEFULLY WILL CONTINUE THIS POSITIVE RELATIONSHIP AND PROGRAMME MOVING FORWARD."**

**JACKIE BOREHAM**

PROJECT OFFICER, BROMSGROVE DISTRICT AND REDDITCH BOROUGH COUNCILS

At one of the Edinburgh sites the roof space is home to a colony of bees. Colleagues are able to meet the beekeeper and attend awareness sessions.

# 750 hrs

**OF COMMUNITY VOLUNTEERING  
IN LOCAL PARKLANDS**



# 6,000

**TREES PLANTED IN HEART OF  
ENGLAND FOREST SINCE 2013**





## ENVIRONMENTAL REPORTING

This section includes an update on the Group's annual greenhouse gas emissions. Emissions disclosed relate to facilities and activities where the Group has operational control within the UK.

As of September 2018, the vast majority of Standard Life business (part of Standard Life Aberdeen Plc) was sold to Phoenix Group. As a result, two operational properties were acquired – Standard Life House and Standard Life Data Centre.

These two properties have therefore been included in the Group's carbon footprint (absolute GHG emissions) for the 2018 calendar year. However, as these two properties were not owned for the whole two-year period that is used for intensity measurement calculations, they have been excluded from these metrics to avoid skewed intensity results.

The emissions reported are based on the main requirements of the ISO14064 Part 1 and the GHG Protocol Corporate Standard (revised edition). Data was gathered at meter level to compile the carbon footprint. The Government's 2018 Conversion Factors for GHG Company Reporting have been used to convert energy data into carbon dioxide equivalent (CO<sub>2</sub>e) emissions.



The Group reports Scope 2 emissions using the GHG Protocol dual-reporting methodology, stating two figures to reflect the GHG emissions from purchased electricity, using both:

- A location-based method that reflects the average emissions intensity of the UK electricity grids from which consumption is drawn; and
- A market-based method that reflects emissions from electricity specific to each supply/contract. Currently, the Group has used residual mix factors in the absence of contractual instruments.

In 2018 absolute emissions have increased by 11% due to the inclusion of the two ex-Standard Life acquired properties.

This increase has outweighed the reduction in the emission factor for consumption of purchased electricity (Scope 2) and the reduced consumption of energy at a number of properties throughout 2018.

Approximately 14% of 2018 emissions are estimated as full-year data is not available for all facilities. A sample of emissions from fuel use for company-owned transport, backup generation and fugitive emissions from refrigerants were calculated in previous years and were determined to be non-material to the overall footprint, so have not been included.

The Group's chosen intensity metrics detail carbon emissions per floor area and per full-time equivalent employees (FTE).

The intensity by floor area has decreased slightly as a larger number of properties have been included within the analysis this year and these properties have largely reduced their energy use in 2018 compared to 2017. The intensity by FTE shows a slight increase from 2017 to 2018 as the number of people employed has reduced.



# I OUR INVESTORS

**WE VALUE AN ACTIVE DIALOGUE WITH THE GROUP'S FINANCIAL AUDIENCES INCLUDING INSTITUTIONAL INVESTORS, PRIVATE INVESTORS, BUY AND SELL-SIDE ANALYSTS AND PROSPECTIVE INVESTORS. PHOENIX THEREFORE CONDUCTS A COMPREHENSIVE INVESTOR RELATIONS PROGRAMME.**

## CR AIM

We aim to be accessible to investors, providing transparent information around investment activity.

## MEETINGS WITH INSTITUTIONAL EQUITY INVESTORS

Throughout the year members of the Executive Committee and the Investor Relations department held meetings with investors to provide updates on the Group's strategy and operations. This involved 20 shareholder roadshow days and a total of 246 meetings with existing and prospective equity investors.

The Chairman and Non-Executive Directors are available for investor meetings to discuss subjects such as strategy, corporate governance and Director's remuneration as required.

## RESULTS PRESENTATIONS AND CAPITAL MARKETS DAYS

Full year and interim results were presented to analysts and investors by the Group. The presentations were webcast live on Phoenix's website and presentation materials were also made available.

Phoenix held a Capital Markets Day on 29 November 2018 in London which was attended by 120 investors and analysts and provided an update on the Standard Life Assurance acquisition. The event also provided attendees with the opportunity to meet with management. Investor presentations are generally filmed and the videos as well as the presentation materials and transcript are made available on the Group's website.

## CONFERENCES

Conferences enable the Group to meet with a significant number of investors and at the same time are important platforms for presenting on Phoenix's investment proposition. This year, Phoenix attended nine conferences in the UK, including conferences organised by ABN AMRO, Bank of America Merrill Lynch, Deutsche Bank, J.P. Morgan Cazenove, Investec, Lloyds, Morgan Stanley and Natixis.

## ANALYSTS AND EQUITY SALES FORCES

Phoenix maintains an active dialogue with its equity and debt research analysts who, in addition to results presentations, are invited to attend investor events such as the Capital Markets Day. The Executive Directors also held nine presentations to the sales teams at major investment banks to promote the Phoenix investment case.

## DEBT INVESTORS

The Debt Investor Relations programme is managed by the Group Treasury department and supported by the Investor Relations department.

Senior management conducted 13 deal and non-deal related debt investor roadshow days in the UK, Continental Europe and Asia, meeting 168 debt investors overall.

## CREDIT RATINGS AGENCIES AND BANKS

Phoenix's life companies and outstanding bonds have credit ratings by Fitch Ratings. The Group meets with the rating agency at least once per year for the annual ratings review. The Group Treasury Team and management last provided Fitch with an update in June 2018. The Group Treasury department and senior management also keep a constant dialogue with the Group's relationship banks.

## PRIVATE SHAREHOLDERS

Private shareholders are encouraged to engage with the Group through the Investor Relations department and Company Secretariat.

## ANNUAL GENERAL MEETING ('AGM')

The Group uses its AGM as an opportunity to communicate with shareholders. Business to be discussed at the meeting is notified to shareholders in advance through the Notice of Meeting and comprises topics such as the annual election of Directors, the appointment of the Auditor and the dividend declaration.

# 414

**TOTAL NUMBER OF DEBT AND EQUITY INVESTORS MET IN 2018**

# 33

**TOTAL NUMBER OF DEBT AND EQUITY INVESTOR ROADSHOWS**



# ECONOMIC, SOCIAL AND GOVERNANCE MEASURES

## GOVERNANCE

Corporate Responsibility within the Group is sponsored at the highest level by the Group Chief Executive Officer.

The Corporate Responsibility Steering Committee, which meets quarterly to oversee and agree all CR activity, includes representation from senior management across all business functions. The Committee is chaired by Phoenix Life's Chief Executive Officer.

The Group's Corporate Responsibility policy is reviewed annually, incorporating risks, opportunities and control measures applicable to the programme. A series of statements are also available on the Group's website, covering topics such as environmental sustainability, workplace wellbeing and approach to community donations.

## OUR CUSTOMERS

	2018	2017
Number of Phoenix Life policyholders	<b>5.3m</b>	5.6m
Number of Standard Life Assurance policyholders	<b>4.73m</b>	–
Number of Phoenix Life customers rating service as satisfactory or above	<b>93%</b>	92.4%
Number of Phoenix Life complaints overturned by Financial Ombudsman Service in favour of customer	<b>17%</b>	17%
Number of Phoenix Life service complaints expressed as percentage of customer servicing transactions	<b>0.59%</b>	0.46%

## OUR SUPPLIERS

	2018	2017
Number of Material Service Providers	<b>68</b>	16
Number of invoices paid within 40-day payment term window	<b>80%<sup>1</sup></b>	80%
Signatory of UK Prompt Payment Code	<b>Yes</b>	Yes
Spend with suppliers	<b>£279m</b>	£202m
Number of Material Service Providers in agreement to Phoenix's supplier Code of Behaviour	<b>18<sup>1</sup></b>	16

Note:

<sup>1</sup> Data only relates to Phoenix Group/Phoenix Life suppliers.

**OUR COLLEAGUES**

	2018	2017
Entry in UK's Top Employer Index	<b>Yes</b>	Yes
Living Wage Employer	<b>Yes</b>	Yes
Number of colleagues	<b>4,088<sup>2</sup></b>	1,249
Number of female colleagues within the Group	<b>1,991 (48.7%)<sup>2</sup></b>	555 (44.4%)
Number of male colleagues within the Group	<b>2,097 (51.3%)<sup>2</sup></b>	694 (55.6%)
Number of female Phoenix Group Holdings Directors (including Non-Executive Directors)	<b>4 out of 12</b>	4 out of 11
Number of female Executive Committee members (Senior Managers)	<b>1 out of 9</b>	1 out of 6
Workforce that is of Black, Asian or Minority Ethnic ('BAME') background	<b>141 (16%)<sup>4</sup></b>	107 <sup>4</sup>
Number of colleagues who have a formalised annual appraisal	<b>100%</b>	100%
Staff turnover (colleagues choosing to leave voluntarily)	<b>6.6%<sup>3</sup></b>	6.3% <sup>5</sup>
New starter retention (permanent employees leaving voluntarily within 12 months' service)	<b>6.0%<sup>3</sup></b>	3.5% <sup>5</sup>
Days lost through sickness absence	<b>1.7%<sup>3</sup></b>	1.4% <sup>5</sup>
Average colleague sickness absence rates per FTE (days)	<b>3.9<sup>3</sup></b>	3.7% <sup>5</sup>
Number of colleagues that participate in Phoenix Group's share-save scheme	<b>589<sup>3</sup></b>	594 <sup>3</sup>
Number of colleagues that participate in Phoenix Group's share incentive plan	<b>1,024<sup>2</sup></b>	260 <sup>4</sup>
Number of colleagues aged 18-24 years	<b>6.3%<sup>2</sup></b>	3.0% <sup>5</sup>
Number of colleagues aged 65 years and over	<b>0.4%<sup>2</sup></b>	0.2% <sup>3</sup>
Number of colleagues aged 35-44 years	<b>30.0%<sup>2</sup></b>	37.2% <sup>5</sup>
Colleagues working on permanent contract terms	<b>97%<sup>2</sup></b>	93.3% <sup>5</sup>
Colleagues opting to work part-time	<b>19.0%<sup>2</sup></b>	13.5% <sup>5</sup>
Number of colleagues on formal flexible working agreements	<b>21.8%<sup>2</sup></b>	15.2% <sup>5</sup>
Number of reportable accidents under Reporting of Incidents, Disease and Dangerous Occurrence Regulations ('RIDDOR')	<b>3<sup>2</sup></b>	0 <sup>5</sup>
Number of apprentices	<b>71<sup>2</sup></b>	7 <sup>5</sup>
Signatory of Women in Finance Business Charter	<b>Yes</b>	Yes
Signatory of Time to Change Pledge – mental wellbeing	<b>Yes</b>	Yes

**Notes:**

<sup>2</sup> Figures do not include workforce based in Germany/Austria.

<sup>3</sup> Figures do not include workforce from Standard Life Assurance Limited. Data relates only to Phoenix Corporate, Phoenix Life Companies and SunLife.

<sup>4</sup> Figures do not include workforce from Standard Life Assurance Limited or SunLife. Data relates only to Phoenix Corporate and Phoenix Life companies.

<sup>5</sup> Figures do not include workforce from the former AXA Wealth and Abbey Life businesses or Standard Life Assurance Limited. Data relates only to Phoenix Corporate and Phoenix Life companies.

## OUR COMMUNITY PARTNERS

	2018	2017
Number of colleagues who have developed transferrable skills through volunteering (Phoenix Group and Phoenix Life)	<b>73%</b>	72.6%
Number of community partners (Phoenix Group and Phoenix Life)	<b>34</b>	36
Number of volunteering hours donated in local community (Phoenix Group and Phoenix Life)	<b>3,547</b>	3,162
Engagement in volunteering programme (Phoenix Group and Phoenix Life)	<b>58%</b>	61%
Donations to Phoenix Group's charity partners of the year Midlands Air Ambulance Charity and London's Air Ambulance Charity	<b>£84,737.49</b>	£113,223.60
Donations to other charities through onsite fundraising (Phoenix Group and Phoenix Life)	<b>£17,913.45</b>	£22,589.67
Donations to other charities through onsite fundraising (Standard Life Assurance and SunLife)	<b>£23,485.30</b> <b>£57,919.75</b>	– –
Staff-matched fundraising scheme donations (Phoenix Group and Phoenix Life)	<b>£38,553.53</b>	£25,780.19
Staff-matched fundraising scheme donations (Standard Life Assurance and SunLife)	<b>£13,689.85</b>	–
Number of Dementia Friends created within Phoenix Group	<b>287</b>	214
Number of Dementia Friends created within the community	<b>165</b>	55
Signatory of Vision for Literacy Business Pledge	<b>Yes</b>	Yes

## OUR ENVIRONMENT

### Phoenix Group's chosen intensity measurement<sup>6</sup>

	2018 (location-based)	2017 (location-based)
Emissions on a per floor area intensity	<b>63 kg CO<sub>2</sub>e/m<sup>2</sup></b>	64 kg CO <sub>2</sub> e/m <sup>2</sup>
Emissions on a per full-time equivalent employee (FTE) intensity	<b>3.8 tonnes CO<sub>2</sub>e/FTE</b>	3.5 tonnes CO <sub>2</sub> e/FTE

**Note:**

<sup>6</sup> Our intensity measurement calculations exclude former Standard Life Assurance Limited properties to avoid skewed intensity results over the two-year period.

## ENVIRONMENTAL IMPACTS

	2018	2017
Average number of prints per employee (Phoenix Group and Phoenix Life)	<b>332</b>	413
Average ratio of colour print per employee (Phoenix Group and Phoenix Life)	<b>64.6%</b>	61.1%
Waste to re-use or recycling	<b>100%</b>	100%
Number of trees planted within Heart of England Forest	<b>500</b>	1,000
Clean City Award – London office	<b>Gold</b>	Gold
Participant of World Wide Fund for Nature's Earth Hour	<b>Yes</b>	Yes







## ONLINE RESOURCES

### REDUCING OUR ENVIRONMENTAL IMPACT

In line with our Corporate Responsibility programme, and as part of our desire to reduce our environmental impact, you can view key information on our website.



Go online  
[www.thephoenixgroup.com/  
corporate-responsibility](http://www.thephoenixgroup.com/corporate-responsibility)

### INVESTOR RELATIONS

Our Investor Relations section includes information such as our most recent news and announcements, results presentations, annual and interim reports, share-price performance, AGM and EGM information, UK Regulatory Returns and contact information.



Go online  
[www.thephoenixgroup.com/  
investor-relations](http://www.thephoenixgroup.com/investor-relations)

### NEWS AND UPDATES

To stay up-to-date with Phoenix Group news and other changes to our site's content, you can sign up for e-mail alerts, which will notify you when content is added.



To sign up visit  
[www.thephoenixgroup.com/  
site-services/e-mail-alerts.aspx](http://www.thephoenixgroup.com/site-services/e-mail-alerts.aspx)



For further information visit  
[www.thephoenixgroup.com](http://www.thephoenixgroup.com)

**REGISTERED ADDRESS**  
**Phoenix Group Holdings plc**  
Juxon House  
100 St Paul's Churchyard  
London EC4M 8BU

Should you wish to hear more about the Group's Corporate and Social Responsibility Programme, please contact:

**Lucy Symonds**  
Corporate Responsibility Manager

Phoenix Group  
1 Wythall Green Way  
Wythall  
B47 6WG

**[cr@thephoenixgroup.com](mailto:cr@thephoenixgroup.com)**

