

 Phoenix

UK Gender and Ethnicity Pay Gap Report 2022

Phoenix Group Holdings plc



As the UK's largest long-term savings and retirement business, we make a difference to the lives of millions of people. Diversity, Equity, and Inclusion (DEI) is a core component of our strategy. It is aligned with our purpose of helping people secure a life of possibilities and embedded in our company values. We want to be the employer of choice for talented people from all backgrounds and identities.

By nurturing a diverse workforce that represents our customers and communities, valuing and understanding our differences to drive innovation, and creating a supportive environment where our people can bring their whole selves to work, we will create a diverse, equitable and inclusive Phoenix – where everyone feels they belong.

Gender balance is one of the key areas of focus in our DEI strategy, and we have committed to a goal that by the end of 2023, 40% of our senior leaders will be women. We are making great progress against this target and, as of end of October 2022, women make up 38.3% of our senior leaders.

We are also committed to increasing our ethnic diversity with a goal for 13% of our colleagues to come from a Black, Asian or ethnic minority background. At the end of October 2022, we were just 0.7% behind our target at 12.3%.

This year, for the first time, we are reporting on our ethnicity pay gap and using the information gathered to target any actions necessary to make Phoenix a diverse, inclusive and sustainable business.

We aren't making this progress all on our own I would like to thank all our colleagues, our leaders, our internal colleague networks and our external partners for the part they are playing in helping us make Phoenix the best place to work.

Andy Briggs
Group Chief Executive Officer

Sara Thompson
Group Human Resources Director

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At a glance

Who we are

Phoenix Group is the UK's largest long-term savings and retirement business. We offer a broad range of pensions and savings products to support people across all stages of the savings life cycle.

Our vision

To grow a strong and sustainable business to help more people on their journey to and through retirement.

Our purpose drives everything we do:

**Helping people
secure a life
of possibilities.**

Our business

£259bn

total assets under
administration

c.12m

customers

c.6,800

colleagues as at 1 March 2023

FTSE 100

and FTSE All World

c.£6.4bn

market capitalisation
as at 1 March 2023

£12.1bn

of Group in-force long-term
free cash to emerge from
our current in-force business

Our family of brands

Standard Life
Part of Phoenix Group

SunLife
Part of Phoenix Group

PHOENIX LIFE
Part of Phoenix Group

ReAssure
Part of Phoenix Group

Our values



Growth

We grow our business through finding new ways to develop our expertise and innovate.



Passion

We're passionate about understanding and acting on what's important to our customers, colleagues and society.



Responsibility

We build trust by taking accountability and empowering others to do the right thing.



Courage

We're ambitious in the challenges we solve and we always speak up.



Difference

We collaborate across boundaries and embrace difference to deliver the best customer and colleague outcomes.

Our progress towards equity

We are on a mission to make Phoenix the best place any of us have ever worked, to build an inclusive sustainable business which helps our customers and employees to secure a life of possibilities.

Our belief

We believe removing barriers from creating diverse and inclusive workplaces will lead to more productive and connected societies and will allow us to serve our customers better.

Our aim

Our aim is to take a leading role in the DEI agenda for our industry by:

- Tackling the thorny data-capture issue
- Improving social mobility and minority representation across the Phoenix Group.

Our strategy

Our DEI strategy focuses on building on those successes, and we are looking to see how we can support the growth of inclusive and equitable policies through 2023 and beyond. This includes tracking and monitoring:

- How successful we are at attracting diverse talent at each stage of the recruitment process
- Understand people, their backgrounds and how they progress at Phoenix
- Exits.

Our commitment

We are committed to measuring and reviewing progress:

- Through colleague surveys
- ExCo targets on DEI
- Bi-annual review led by Group CEO, Group Human Resources Director and Group Head of Talent Acquisition to review talent, succession and DEI impacts
- External reports through Women in Finance Charter obligations, against our gender and ethnicity targets and our gender pay gap.

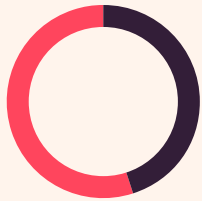
We know that diverse and inclusive businesses attract and retain the best talent and better reflect our customers and communities.

[See our DEI progress on the next page →](#)

Our progress towards equity continued

DEI 2022 summary – our progress

The Phoenix Group Executive Committee consists of 5 women and 6 men

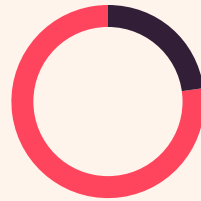


● Women 45%
● Men 55%

54%

of proposed successors to the Phoenix Group ExCo are female, this is against our target of 40%

The Phoenix Group Board consists of 7 women and 6 men and has 3 members from an ethnic minority background



● Black or ethnic minority 23%
● White 77%

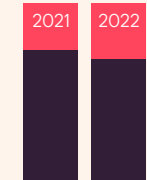
39.6%

of our senior leadership are women, against our target end of 2023 target of 40%



The number of women in top 100 paying roles has increased from

27 to 32



● Women
● Men

We employ more women

51.9%

than the Financial Services average of 43.6%

Our average employee age is

40.7

with 39.2% aged 45+



We moved up from

41st

place to

24th

in the [Social Mobility Foundation Employer Index for 2022](#) →

Our internal mental health and wellbeing network, "Mind Matters" won the [Women in Finance Outstanding Diversity Network of the Year Award 2022](#) →



Imran Khan and Rabya Akhtar, co-leads of our internal race and ethnicity inclusion network, "Mosaic" were both included on the [empower 2022 Top 100 Future Leaders list](#) →

Future Leaders list



Our DEI Strategy

DEI is in our purpose, our values and our culture

Our DEI Strategy has four main areas:

1

Diversity

Ensuring our recruitment processes are barrier free and fair so that we are able to increase our workforce diversity to reflect our customers and the communities in which we operate

2

Equity

Ensuring that career development and progression within Phoenix is barrier free and fair for all our colleagues

3

Inclusion

Creating an inclusive workplace where everyone can be themselves, achieve their potential and is able to speak up freely.

4

Becoming an industry leader in DEI

We want to actively contribute to market and UK wide DEI initiatives and be at the forefront at inclusive policy and benefit design, helping not just our employees and customers but the wider UK society and economy



Our DEI Strategy continued

Being a leader in DEI is important for the following reasons:

Ethical	It is the right thing to do; as a regulated company we are committed to doing better business and reflecting the customers and communities that we serve.
Reputational	People choose us for our reputation. What we do builds our brand as a place people choose to work, and a place people trust with their savings and pensions.
Commercial	Research shows that diverse businesses deliver better outcomes for customers, by reducing group-think, encouraging debate and fostering innovation. Diverse firms are more able to recognise and respond to the diverse needs of their customers and potential customers.
Societal	As a country, we have increasing challenges around poverty, social mobility and people living longer. As a FTSE50 company with over £300bn AuM, and 13 million customers, we have a significant role to play in helping people secure a life of possibilities.
Talent	We want to be the employer of choice for talented people from all backgrounds and identities, because having diversity of thought and experience makes our business strong. We can't do the work we need to do without it.
Values	DEI is embedded across our values with specific focus in the 'Difference' value, which describes the behaviour we expect in our business: <i>we collaborate across boundaries and embrace difference to deliver the best customer and colleague outcomes.</i>

Our DEI Targets

Each year we review our diversity commitments. Our priority focus will be on improving our gender, race and ethnicity balance across the business; we know that this will also help to improve representation.

At the beginning of 2022 we set two new DEI targets:

- A 40% target for female senior leadership by the end of 2023
- Group wide ethnic minority representation of 11% by the end of 2023 reaching at least 13% by 2025

We are pleased to share that we are making good progress against all our DEI targets and are on track to hit them by the end of 2023:

Area	Target	End of December 2022
% Women in Senior Leadership	40% by end of 2023	39%
% Women in Finance – Women in Top 100 (FTE salary)	30%	32%
% Successors to the Phoenix Group ExCo who are women	40%	54%
% Group Wide Ethnic Minority Representation	11% by end of 2023 13% by end of 2025	12.3%

But we recognise that hitting these targets is just the start of DEI work and not the end.

A full review of our existing targets will be undertaken across Q1 and Q2 2023.

As a result of the data from the ONS Census 2021 we will be looking at our ethnicity target and seeing if it needs to be amended. This will include reviewing if we should have different representation targets for our locations and how we should track and report on the career progression and senior representation of our ethnic minority colleagues.

[Read the ONS Census 2021](#) →

Our colleague networks

This year we are delighted to increase our colleague networks to ten across the business, with the addition of the iBelieve Network – our new faith and belief network.

<p>iBelieve Our Faith, Religion and Belief Network</p> 	<p>Ignite Our Age Inclusion Network</p> 	<p>Affinity Our LGBTQ+ Inclusion Network</p> 	<p>Balance Our Gender Equity Network</p> 	<p>Mind Matters Our Mental Health and Wellbeing Network</p> 
<p>The Phoenix Armed Forces Network</p> 	<p>Enable Our Disability and Neurodiversity Inclusion Network</p> 	<p>The Phoenix Young Professionals Network</p> 	<p>Mosaic Our Race and Ethnicity Inclusion Network</p> 	<p>The Phoenix Carers Network</p> 

We will be setting up working groups under our networks to address specific issues around DEI covering neurodiversity, working parents, our Black colleagues' career progression and women in tech.

[You can find out more about all of our colleagues here: →](#)

Our External DEI Partnerships

We recognise that we are not moving the dial on DEI on our own, and we would like to thank all of our external partners for the help and support they are giving us.

For 2023, we are delighted to be creating new partnerships with the following external organisations:

GAIN

The Group for Autism, Insurance, Investments and Neurodiversity across the UK insurance and investments industries
gaintogether.org →

Link

The cross insurance industry LGBTQ+ network
lgbtinsurancenetwork.com →

iCAN

The cross insurance industry culture, race and ethnicity inclusion
www.i-can.me →

Working Families

For family friendly inclusion and work/life balance
workingfamilies.org.uk →

Gender Networks

The UK network of gender networks
gendernetworks.com →

Neurodiversity in Business

A business forum and industry group for organisations to share industry practice on the recruitment, retention and empowerment of neurodivergent people.
neurodiversityinbusiness.org →

The Clear Company

A diversity and inclusion consultancy offering inclusive recruitment and talent management insight, training, and technology
theclearcompany.co.uk →

Jalli

Jalli is a STaaS (Storytelling as a Service) solution that creatively combines authentic human experiences with data driven science.
jalli.org →

This year, we joined [Progress Together](#) → a new UK Financial Services membership body focusing on the progression, retention and socio-economic diversity, signed the [Age Friendly Employer Pledge](#) →, contributed to the [ABI's first DEI Blueprint](#) → – which sets out a multi-year strategy and plans to improve Diversity, Equity and Inclusion across the UK insurance industry.

In 2022 we increased our ranking in the [Social Mobility Employer Index](#) → from 41st to 21st due to our targeted actions around social mobility. We continue this work across 2023, and beyond, with additional funding and a dedicated DEI Projects Lead for Social Mobility.

As an organisation, we are committed to making real tangible improvement and creating equality of opportunity. There is not only a core social need for this work but also a real business benefit – we need to attract, retain and develop individuals from all backgrounds to reap the benefit of a truly diverse organisation.



21st

we increased our ranking in the Social Mobility Employer Index from 41st to 21st

Explaining Pay Gaps

We recognise that there are several factors that will influence the gaps that we have identified in salary, bonus and seniority.

While it is against the law to provide different salaries to employees at the same level, based on their gender, race or ethnicity, there are several other societal factors that may lead to gaps in salary, seniority and bonus pay within corporations. This report aims to disclose and help understand these differences, so we can effectively plan strategies to mitigate and reverse these biases.

Mean pay gap

Compares average salaries from the relevant employing entities. This is calculated by adding all the salaries for a specified group of employees and dividing by the number of colleagues. The difference between the salaries in different gender, race or ethnic groups can be identified.

Median pay gap

The middle salary for a specified group of employees. The difference between the salaries in different gender, race or ethnic groups can be identified.

Mean bonus pay gap

Compares the average bonus payments from across the relevant entity. Calculated by adding all the bonus payments for a specific group of employees and dividing by the number of colleagues.

Median bonus pay gap

The middle bonus payment for a specified group of employees. The difference between the salaries in different gender, race or ethnic groups can be identified.

Proportion in each pay quartile

The number of colleagues in each pay quartile, expressing this as percentage of the total population size for each quartile.

Proportion receiving a bonus

The number of colleagues in receipt of a bonus payment, expressing this as a proportion of the total population size.

UK Gender Pay Gap

Gender diversity is one of the key areas of focus in our DEI strategy, and we have committed to a goal that by the end of 2023, 40% of our senior leaders will be women.

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Phoenix Group (All Entities)

Gender Pay Gap

UK-wide gender pay gaps

	Hourly Pay		Bonus Pay	
	Median	Mean	Median	Mean
2022	27.5%	22.9%	34.3%	48.6%
Improvement since 2021	◀ No change since 2021	▼ 3.0% since 2021	▼ 1.5% since 2021	▼ 4.8% since 2021

The snapshot date for this data is:
5th April 2022

Whilst our median pay gap hasn't changed from 2021, we have seen a 3% reduction in our mean gender pay gap and a 1.5% and 4.8% reduction in our median and mean bonus pay gaps.

The reductions in our gender pay gaps are linked to the increase in female representation at senior levels as a result of targeted actions to recruit and develop women into these levels. But we know there is more to do and our DEI strategy and actions for 2023 and beyond reflect this.

The Phoenix Group Entities

Gender Pay Gaps

	2022 Statutory Gender Pay Gap							
	PGMS		SLASEL		RUKSL		Phoenix Group	
Median Pay Gap	22.7% (-1.9%)		22.9% (-2.9%)		18.9% (+0.4%)		27.5% (+/-0%)	
Mean Pay Gap	18.0% (-5.7%)		16.4% (-2.0%)		25.0% (+1.4%)		22.9% (-3.0%)	
Median Bonus Gap	35.2% (-3.7%)		33.3% (-0.3%)		22.2% (-5.3%)		34.3% (-1.5%)	
Mean Bonus Gap	48.0% (-6.4%)		35.5% (+0.9%)		48.2% (-2.9%)		48.6% (-4.8%)	
Quartiles	Females	Males	Females	Males	Females	Males	Females	Males
Upper	32.0% ▲	68.0%	41.0% ▲	59.0%	37.0% ▲	63.0%	37.4% ▼	62.6%
Upper Middle	41.6% ▲	58.4%	49.1% ▲	50.9%	53.7% ▲	46.3%	48.5% ▲	51.5%
Lower Middle	47.3% ▲	52.7%	59.6% ▼	40.4%	61.3% ▼	38.7%	58.9% ▼	41.1%
Lower	58.0% ▼	42.0%	62.3% ▲	37.3%	60.4% ▼	39.6%	61.1% ▲	38.9%
% Received a Bonus	90.9% ▼	92.2%	96.5% ▼	95.0%	96.2% ▲	95.1%	95.5% ▲	94.4%

Key
PGMS = Pearl Group Management Services
SLASEL = Standard Life Assurance Limited
RUKSL = ReAssure Group PLC

Please note:
RUKSL and SLASEL represent 42% and 41% of the included workforce respectively, with PGMS accounting for 15.6%, and the remainder under PGS and SunLife.

Favourable movement compared to 2021 figures shown in pink.

Median pay gap

Median pay gap, the primary focus of gender pay reporting, can be considered a more stable representation of the true middle and not as responsive to outliers as mean calculations.

- The median pay gap has decreased in PGMS and SLASEL but has increased in RUKSL.
- PGMS and SLASEL have seen increases in female representation in both of the upper quartiles, which is likely to be the main driver of the significant drop in the median pay gap.
- The increase in the median pay gap in RUKSL is driven by an increase in female representation in the lowest quartile.

Mean pay gap

Mean pay gaps are more volatile than median pay gaps, as they are impacted more by outliers.

- The mean pay gap has decreased in PGMS and SLASEL but has increased in RUKSL.
- PGMS has the smallest population of the three comparable entities and is therefore subject to greater fluctuation, female representation in the upper quartiles.

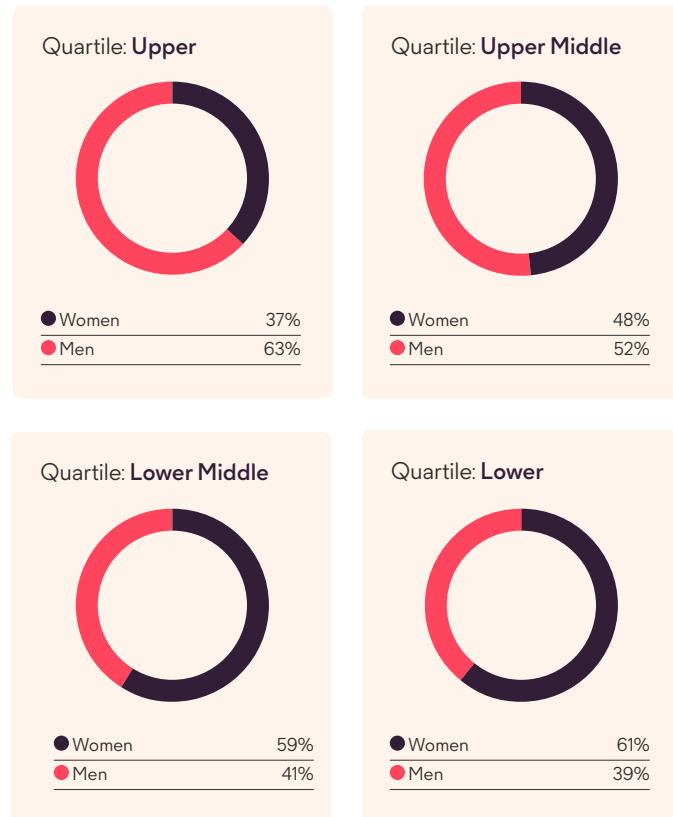
Bonus pay gap

Bonus payments are formulaically linked to an individual's salary, so with a greater female representation in the higher paid employees across the Group, the bonus pay gap concurrently reduces.

- Across all three entities comparable to the previous reporting year, there have been reductions in median bonus pay gaps.
- The proportion of females receiving a bonus has increased in RUKSL.
- In PGMS the percentage of females receiving a bonus has decreased, but there has been a significant reduction in the bonus gap, both median and mean. This can be attributed the increased number of females in the upper quartile.

Gender representation at Phoenix Group

We have a gender pay gap because there are a higher proportion of male colleagues in the higher salary quartiles and a higher proportion of female colleagues in the lower quartiles.



Our Work to increase Gender Balance

We're actively removing barriers to gender diversity. For example:

- We've adapted our recruitment processes to promote flexible working options.
- For new business leadership roles, all candidate pools must have a 50:50 gender balance. This will be expanded across our senior leadership roles throughout 2023.
- We offer job shares and part-time flexible working at the most senior levels.
- Work-life balance. It's no accident our gender diversity network is called Balance. We empower colleagues across Phoenix to progress to the highest levels, whilst maintaining an equilibrium with their home lives. We do this by positively encouraging job shares and flexible working, and by providing additional support to those with family/caring responsibilities.
- In 2022 we launched our leadership capabilities which set out the expectations of our leaders, including how to lead inclusively. In 2023 we are training our leaders on Leading Inclusively.
- This year, to support our Leadership Capabilities framework, we are working with [The Clear Company](#) → to roll out a programme of Inclusive Leadership and Inclusive Hiring Manager workshops designed to equip our managers with the skills they need to become a truly inclusive manager.
- This year, we are also working with [Amazing If](#) → on our "Squiggly Careers" project to deliver a series of career conversation workshops, available to all colleagues, who want to find out more about what they are good at and how they can further develop their skills. These workshops are designed to empower our colleagues to feel confident to design their careers their way. We have recognised the intersectionality between gender and age as we can see that our gender pay gap increases with age, so we are targeting age inclusion as well in our work to reduce our gender pay gap. This, we believe, will benefit everyone at Phoenix as well as wider society.
- This all forms part of a much larger body of work around age inclusion that is being directly led by our CEO Andy Briggs who serves as the Government's Business Champion for Older Workers and the Age Grand Challenge.
- We have a range of family friendly policies for colleagues across the business. This includes equal parental leave of six months paid parental leave for all new parents, regardless of gender, or how they have come to parenthood.
- Our new Leadership Programme focuses on embedding a culture of inclusion which we believe requires mutual understanding, and for everyone to champion the cause, regardless of gender.

Gender representation at Phoenix Group continued

- Subsequently, we don't operate a women-only leadership development programme. Instead, our flagship scheme, Changing the Game, has a 50:50 male-female split, allowing all high-potential people to:
 - Learn from each other.
 - Be heard and understood.
 - Foster a culture of allyship.
- The programme includes:
 - Deep-dive consultations with occupational psychologists from the leading organisational development consultancy YSC, to help participants understand their personality, history, and behaviours.
 - Courage and Spark sessions, where participants explore their leadership qualities and how to expand them, including inclusive leadership.
 - Four coaching sessions, including a half-day Lifeline exercise in which participants listen to one another talking honestly and openly about their background, challenges and what makes them the way they are.
 - The opportunity to serve as a non-Executive director with a charity.

Real-life impact of Changing the Game



Having joined our graduate programme straight from university, Donna Walsh, now Head of Master Trust at Standard Life, has worked across numerous different departments.

In 2019, Donna was identified as a high-potential candidate by her line manager and selected to participate in our flagship leadership development programme, Changing the Game. It couldn't have come at a better time for Donna, who had previously strived to achieve a work-life balance, but who had become ill several times whilst trying to juggle her work and personal life.

One of the stand-out elements of the course – which, to use Donna's own words, gets you "really thinking hard about how you do things [and] why you do things" – was a 3.5-hour consultation with an

occupational psychologist from YSC Consulting, which helped her assess her judgement, decision-making influence, and potential. She was also impressed by the programme's Courage and Spark sessions, which were tailored to help her think about her personal qualities in more detail, and how she could use those attributes in a different way to improve how she leads.

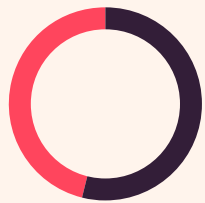
Donna acknowledges Changing the Game has also had a profoundly positive impact on her personal life, helping her achieve a much greater work-life balance. She even took some of the paid emergency leave from Phoenix to help her teenage children with home schooling during the pandemic – something she definitely would have tried to juggle before Changing the Game.

"We are very proud of the real progress we are making to drive gender equity as a group, and will continue to work towards our vision to be an industry leader on this important topic."

Tina Dragneva
Proposition Technical Manager

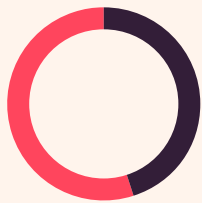
Our Gender action plan

Phoenix Board



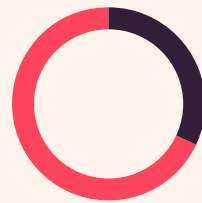
● Women: 7	54%
● Men: 6	46%

Phoenix ExCo



● Women: 5	45%
● Men: 6	55%

Top 100 *FTE Salary



● Women: 32	32%
● Men: 68	68%

Our Board representation is

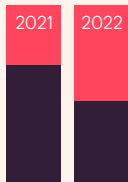
54%
women

Our ExCo representation is

45%
women

At the end of 2019 35% of our successors to our ExCo were female, this now stands at 54%, giving us a strong pipeline for the future.

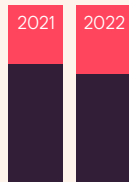
35 to 54%



● Women	54%
● Men	46%

In January 2020, 33% of senior leadership were roles held by women, at the end of December 2022, this had increased to 39%

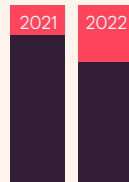
33 to 39%



● Women	39%
● Men	61%

In January 2020, we had 17 women in the top 100 paid roles, as at the end of December 2022, this had increased to 32

17 to 32%



● Women	32%
● Men	68%

Our ambition is to achieve

50/50
gender balance



A spotlight on our family friendly policies

It is very important to us to be a truly family friendly organisation. We recognise the link between the gender pay gap and parental leave and are very proud to offer 26 weeks of parental paid leave, as a day one right, to all new parents regardless of gender and how they come to parenthood.

Additionally our family friendly policies include:

- Paid time off for expectant parents to attend antenatal or adoption appointments
- Up to 12 weeks of paid leave to support parents whose child requires neonatal care when they are born, added to the end of their family leave.
- Back to work coaching and support with the option for new parents to phase their return to work over two months, working a minimum of 60% of hours in the first month and 80% in the second, for 100% of their pay.
- Providing the possibility of colleagues taking a career break of between a month and a year to allow them to, for example, take time out with family, while remaining employed by Phoenix.
- 10 days paid Carers Leave to provide to help our colleagues provide support to someone who depends on them 10 days paid leave to undergo fertility treatment or appointments or to attend treatment or appointments with a partner or spouse.
- Emergency Leave to help our colleagues deal with an unexpected or immediate responsibility for a dependant, as well as Compassionate Leave and Parental Bereavement Leave to support colleagues through the injury, illness or death.
- 5 days additional paid leave to spouses and partners of Armed Forces personnel serving overseas to ensure they can spend time with their loved one.



“Since becoming a parent, our policies have been invaluable in managing time-off for various reasons and providing a safety blanket for those unexpected events; from my initial maternity leave to emergency leave for hospital visits to carers leave for ongoing caring needs, I am an advocate for them all – it has allowed me to ring-fence my annual leave to still enjoy that all important family time and for that I am very grateful.”

Claire Drynan
Transformation Partner

A spotlight on our age inclusion work

Being an age friendly employer is not only in the best interests of colleagues but is also good for the business itself.

Phoenix Group was one of the first organisations to sign the Age-friendly Employer Pledge, a nationwide programme run by the Centre for Ageing Better. By signing the pledge, we are showing our commitment to older workers and making our workplace age-friendly. This means we're taking action to improve our recruitment, retention and development of workers aged 50 and over.

Being a part of the pledge means we draw on a wider pool of applicants for each job. It means older workers can continue to thrive and contribute in our organisation. We also benefit from the innovation and productivity boost that multigenerational workforces bring.

For more information about the pledge, visit: ageing-better.org.uk/age-friendly-employer-pledge →

Our age inclusive actions include:

- A dedicated colleague network for Carers
- 10 days fully paid carers leave which can be taken as days or hours alongside an extensive range of practical support offered to carers outside formal policies and guidance, comprehensive health and wellbeing provisions and a carer champion development programme
- We offer all colleagues the option to have a "Mid-life MOT". This consists of a digital self-assessment across the topics of work, wealth and wellbeing, with a tailored report of tips and recommended actions. We also run workshops specifically designed for colleagues who feel that they are within 10 years from transition to later life.

- Rather than having a menopause policy, we treat menopause as a normal part of life. We offer training to managers and staff and have 'menopause champions' who are there to listen and talk.
- When advertising our jobs, we pay attention to the words we use, the imagery that appears and the places we promote the vacancies.
- In August 2022, we began a partnership with Restless – the UK's fastest growing digital community for the over 50s. All of our job vacancies are now advertised on Restless and we kicked off this partnership by promoting our part time customer service roles and are very pleased to say that we have recruited 32 people in these part time roles (as of beginning of December 22)
- Lead sponsors of National Older Worker Week 2022
- A £20,000 contribution to the Business in the Community (BITC) to support their age inclusion and employment activities (November 2022).
- As part of our commitment to enable women to build better pensions we have committed to:
 - As part of our commitment to enable women to build better pensions we have committed to:
 - Proactively look to re-enrol employees not on the workplace pension scheme every year, instead of every three
 - Make pension impact information compulsory when reducing working hours
 - Monitor and analyse the monthly pension contributions of male and female colleagues across Phoenix Group
 - Work with our workplace pension clients to devise a standard analysis and reporting methodology for measuring the **Gender Pension Gap**.



“Recognising that age exacerbates the negative impact of every other protected characteristic, our #ignite colleague network actively promotes and supports the interests of colleagues in their later working life.”

Peter Tyson
Actuarial Change Director

Ethnicity Pay Gap

A key priority for our workplace is to ensure ethnic and cultural diversity at the Phoenix Group, where colleagues are treated with respect and dignity. Our workplace is inclusive and reflects our diverse range of customers and the communities where we operate.

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Phoenix Group Ethnicity Pay gap

Our Ethnicity pay gaps

It is not legal to demand employees to self-disclose their ethnicity or race to their employer. However, we have had a 73% disclosure rate amongst our employees. The figures below represent the 73% of employees who did disclose their ethnicity.

Our Ethnicity Pay Gap Data:

UK-wide ethnicity pay gaps

	Hourly Pay		Bonus Pay	
	Median	Mean	Median	Mean
Black, Asian and Mixed/ Multiple Ethnicities (combined)	-5.6%	-0.9%	5.4%	8.1%
Black	-2.1%	5.0%	22.1%	41.2%
Asian	-13.7%	-5.3%	-4.7%	1.2%
Mixed/Multiple Ethnicities	20.8%	17.5%	30.7%	13.7%

Note: This data is as at April 5th 2022 to keep it in line with reporting data of our gender pay gap report. We have not produced an ethnicity pay gap for the 'Other' category as the number who chose to identify as this group was not high enough.

This is the first year we have produced an ethnicity pay gap report. Although it is not mandated by the government, we believe it is the right thing to do, and will provide key insights that will feed back into our DEI strategies and targets.

We have chosen to show ethnic minority as single category to prevent masking the pay gap between different ethnic minority groups. Instead, we are reporting at a more detailed level using the ONS Census's ethnicity sub-group categories.

By looking at our ethnicity pay gap in this way we can see a fuller picture. At Phoenix, our colleagues who identify as Asian have the widest negative pay gaps, indicating that the highest average salaries are within this group.

The pay gap for Black colleagues is much smaller but still negative, and the Mixed/Multiple ethnicity group is positive, indicating lower average salaries.

Similar to the gender pay gap, this is reflective of senior representation levels within each ethnic minority group driving average salary levels.

Ethnicity representation at Phoenix

Our ethnicity representation varies by our location, often broadly in line with diversity levels in the surrounding region.

“Improving racial ethnic diversity and inclusion is a priority for Phoenix Group and we welcome the publishing of our race/ethnicity pay gap(s). We hope this will signal a trend of other big businesses following suit so that we can all work towards more equitable outcomes for racial/ethnic minorities and through a transparent and accountable approach.”

Imran Khan, Business Development Manager

Ethnic diversity is greatest among our youngest employees and most recent joiners, with 1 in 5 of our colleagues under the age of 35 and 1 in 5 of new colleagues who have joined in the last five years identifying as Black, Asian, mixed/multiple ethnicity or other.

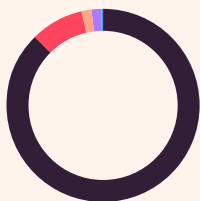
With regards to senior leadership and promotions, colleagues from an ethnic minority account for 13% of new starters at senior leadership level and 15% of promotions to senior leadership.

We are also proud to share, as of December 2022, that the **Phoenix Group Board** → has three members from ethnic minority groups, meaning that we have 23% ethnicity representation.

Note: All ethnicity representation is as at 5th April 2022



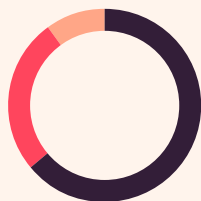
Phoenix Group total representation by ethnicity:



● White	87.76%
● Asian	8.63%
● Black	1.73%
● Mixed/Multiple Ethnicities	1.63%
● Other	0.24%

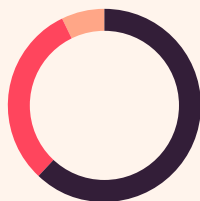
Phoenix Group ethnicity representation by level:

All White Groups



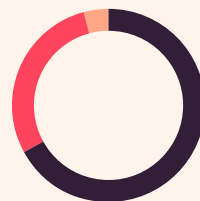
● Junior	64%
● Mid-Level	26%
● Senior	10%

All Black/Asian and Mixed Ethnicity Groups



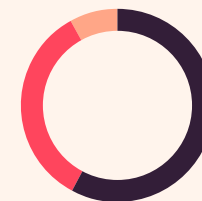
● Junior	62%
● Mid-Level	31%
● Senior	7%

Black



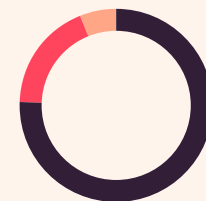
● Junior	67%
● Mid-Level	29%
● Senior	4%

Asian



● Junior	58%
● Mid-Level	34%
● Senior	8%

Mixed/Multiple Ethnicities



● Junior	75%
● Mid-Level	18%
● Senior	6%

Our race and ethnicity action plan

- For 2023, and into H1 2024, we will have a dedicated DEI Projects Lead – Race and Ethnicity who will work with our Head of DEI Programme Transformation to create our first multi-year Race and Ethnicity Action plan.
- We will continue our work with **10,000 Black Interns** →, increasing internships for ethnic minorities across the business, following on from the great success we had with the programme in 2022:
 - We offered 6 internships to candidates from the programme although we had committed to offering 1 as a pilot as the calibre of candidates was so good.
 - 5 candidates accepted the internships within Asset Management and Sustainability
 - Internships were paid at the London real living wage for between 6-10 weeks (dependent on candidate availability) with all expenses paid.
 - Networking events were included in the programme (volunteering with the Graduate cohort/meeting people across the business to hear about their functions/roles/career paths)
 - 1 candidate has progressed to a 1 year placement within Asset Management to support his degree programme.
- We aim to increase our ethnicity data disclosure rate and find out more about the data is telling us so we will be conducting a deep dive into our ethnicity data and what it is showing us – including a specific look at intersectionality of gender and ethnicity
- Across 2023 we will be reviewing all of our DEI targets with a view to creating more stretching targets where applicable. For our ethnicity targets we will be looking at the ethnicity data from the Census 2021 to inform our decisions and also looking at whether we want to set ethnicity representation targets for our office locations and by seniority.
- We have a dedicated working group, to look at the career development and progression of our Black colleagues. This group will produce a targeted plan of action of work for us to do this in areas.
- We have a new partnership with **iCAN** → – the cross market Insurance Cultural Awareness Network. They are the first industry wide, independent, volunteer-run network that supports multicultural inclusion across the insurance sector. Our goal is to promote multicultural inclusion and progression, engage with allies, and celebrate the benefits of inclusion and diversity in the industry.
- Across 2023, we are looking into other new race and ethnicity inclusion and recruitment partnerships across insurance and the wider financial services sector we can sign up to and join.



“I enjoyed joining the Central Sustainability team, meeting everyone in the various offices and getting the opportunity to join a Volunteering Day. It really helped my networking skills and ability to form strong relationships. I gained strong research and analytical skills and it was an insightful and amazing experience with Phoenix.”

Vimbainashe Mutasa
Team member

“The internship was a really good eye opener into the working world and I appreciate the chance I was given to complete important tasks and gain knowledge and experience. It’s been great to follow my internship with a 12 month placement. I’ve had the opportunity to immerse myself in the Phoenix culture and contribute my efforts into achieving our targets.”

Theo Hayford
Investment Intern Analyst

Looking forward

We will be continuing to reflect and respond to the changes needed, to develop the DEI agenda at Phoenix Group.

There has been significant progress in 2022, with significant increases in female representation at the group Board, Executive Committee and Senior Leadership level as well as in our succession pipeline for Executive roles.

We are taking a multi-faceted approach to DEI looking at the many factors that impact women in the workplace and building processes, practices, policy and culture of inclusion. This is enabled by our continued focus on collecting, analysing and acting upon the diversity data that we collect from our colleagues and through the work of our colleague networks.

Tamar Hughes,
Group Head of Talent,
Development and Inclusion

Our plans for 2023 include:

- Expanding balanced candidate pools for hiring
- Enhancing data collection and reporting
- Tracking and monitoring internal progression
- Building inclusive leadership capability
- Enhancing our flexible working offering and uptake
- Focusing on over 50s in the workplace



“It is only by maintaining laser sharp focus on gender diversity, by setting clear goals, through measuring and reporting on progress that we will achieve balance.”

Sara Thompson,
Group HR Director

Appendix 1

DEI Charters and Pledges we have signed



Appendix 2

Our DEI Partners



Contact us

News and updates

In line with our Sustainability Programme and our commitment to reduce our environmental impact, you can view key information on our website:

[thephoenixgroup.com](https://www.thephoenixgroup.com)

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

<https://www.thephoenixgroup.com/site-services/email-alerts>



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