

Supporting material

Annual Report for year
ending 31 December 2025



Independent Governance Committee





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This document is the supporting material to the Phoenix Life CA Independent Governance Committee Annual Report for the year ending 31 December 2025. which can be found [here](#).



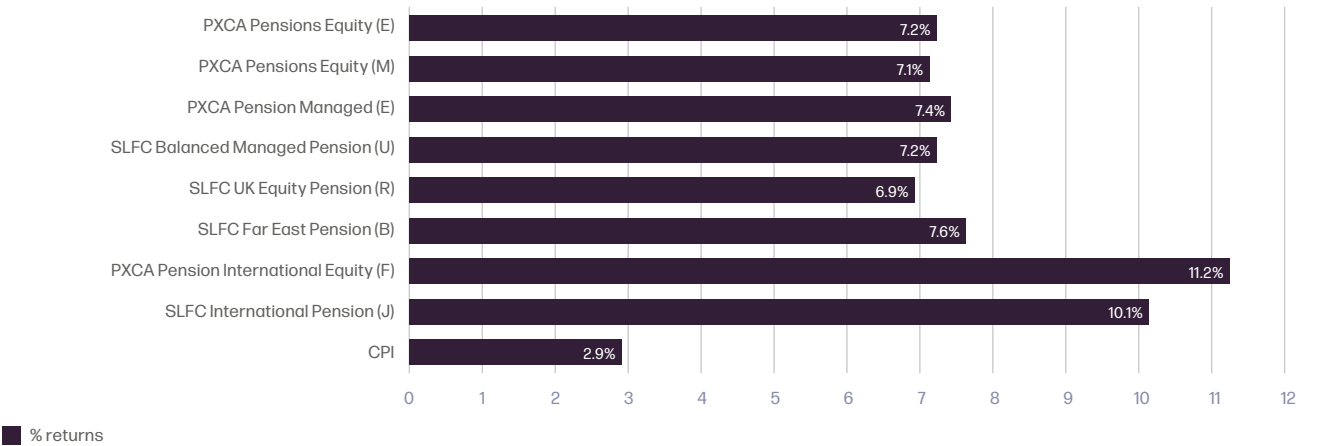
Investment performance



Investment performance

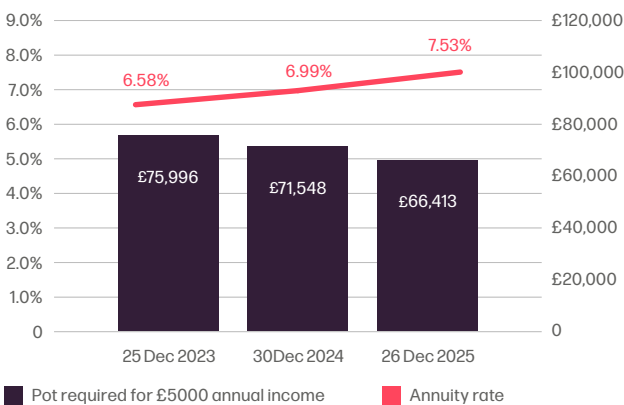
The following charts and tables have been chosen to demonstrate (a) the long-term performance of several of the most important Phoenix Life CA default funds in relation to consumer inflation; (b) how changes in annuity rates have interacted with changes in the size of the pension pot.

15 year annualised performance (%) of key funds and CPI



Changes in annuity rates & pension pot (after tax-free cash) needed to buy £5,000 annual income (65 year old, single life, level, five year guarantee)

Changes in annuity rates & pension pot (after tax-free cash) needed to buy £5,000 annual income (65 year old, single life, level, five year guarantee) The following chart shows how changes in annuity rates as well as the size of any investment pot affects the amount of annuity which you could purchase at different points in time.



Source: Phoenix Group (best in market rates for a 65 year old, single life, level contract with a five year guarantee at an average postcode)

Costs and charges

Increased disclosure of costs and charges

The tables of costs and charges for all investment funds, together with sample illustrations to show the impact of those costs and charges, are available on the [website](#).

The tables show the range of costs and charges incurred by individual customers. What you pay may vary by the fund(s) that you are invested in. It is important, therefore, to understand how your charges compare with what you may be able to get elsewhere. The sample illustrations also show how significant ongoing charges can be on the ultimate value of your pension, particularly if you have a larger pot invested over a long period.

In addition, the Financial Conduct Authority (FCA) rules around assessing value for money in workplace pension schemes require IGCs to consider the most appropriate and proportionate way to assess an employer's scheme so that the IGC can produce a value for money assessment that is most useful for members. IGCs have a judgement to make on whether to assess costs and charges at an individual employer level, at an aggregated level or by a combination of both. We have chosen to assess costs and charges at an individual employer level rather than an aggregated level. We feel this is most appropriate, as it is at this level that you experience the service offered for the charge that you are paying and allows you to fully understand where your level of charges sit in comparison to others.

While we consider individual employer data points available for the business across Standard Life, we are unable to get the same level of detail for external market comparators. Therefore, we also group data based on key employer level characteristics that influence the price you pay (e.g. number of members in an employer arrangement and average fund size of those members) and compare against similar groups from external comparators that we have access to through benchmarking surveys and information published by other IGCs.

Given the legacy nature of the Phoenix Life CA business, the vast majority of employer arrangements will no longer be active and only have a very small number of members. Therefore, the ability and likelihood of an employer arrangement transferring to another provider is remote and it will be down to the individual member to make that decision. Therefore, we also feel it is appropriate to additionally consider and report at an individual member level to show how your charges compare to all other Phoenix Life CA customers.

In considering our value for money assessment, we have looked at costs and charges information available both internally within Phoenix Life CA (with data set out in this report) and also across the wider Standard Life. The legacy nature of Phoenix Life CA business, with only one or two members in individual employer arrangement that are no longer active, makes this approach less relevant.

Externally, we have taken part in industry-wide benchmarking surveys to understand how the level and spread of charges compare with those across the industry. We will also look at disclosures within our peer IGCs' reports to see how Phoenix Life CA costs and charges compare across the industry.

We have chosen to present the data in this fashion as we believe this is a useful and effective way for you to understand how the level of charges you are paying compares with those of other employer arrangements within the same fund, and as such, what relative value for money you may be receiving.

In order to help you to be able to assess this, Phoenix Life CA have delivered a digital solution that allows you to find the level of charges for all funds that you are invested in or are available to you on the Phoenix Life CA [website](#).

In order for you to consider how the charges you are paying compare to those being applied to other members or employer arrangements provided by Phoenix Life CA, for each fund available we have set out, using various charge bands, the proportion of members and employers invested within that fund who are paying the level of charges indicated within the relevant band.

For Phoenix Life CA, all members (and as a result all employer arrangements) are paying ongoing charges within the 0.60% to 0.75% range. As such, we only present a single table below that covers both members and employer arrangements.

The distribution of charges for all default funds can be found within this report. For all other investment funds, the distribution of charges are available on the Phoenix Life CA [website](#).

Finally, we are required to publish the charges that apply to each fund that is available to invest in for each individual employer arrangement with Phoenix Life CA and this information is available on the Phoenix Life CA [website](#).

Although charges may vary, it is not always possible to switch to a lower-charging option within Phoenix Life CA and, depending on the features of the current policy, the size of the pot and time to retirement, it may not be in a customer's best interests to do so. However, as mentioned above, it emphasises the importance of customers considering whether their pension pot and the way it is invested with Phoenix Life CA remains suitable for them. If you need help in understanding what level of charge you are paying, you should contact your employer, ex-employer or Phoenix Life CA to help explain.

Disclosure of costs and charges by individual customer

Disclosure of costs and charges The table below shows the range of charges applied to individual customers' pension pots and also individual employer arrangements for each of the default funds used by customers within the relevant schemes. Customers can see from their annual benefit statement the name of the funds in which they are invested. The table below shows that, irrespective of the fund you are invested in, all customers, pay an ongoing charge, of between 0.60% and 0.75% per year.

Costs and charges for Phoenix Life CA default investment funds by employer and individual

Fund name	< 0.30%	0.30% to 0.39%	0.40% to 0.49%	0.50% to 0.59%	0.60% to 0.75%	0.76% to 0.85%	0.86% to 0.95%	0.96% to 1.00%	Transaction cost
PXCA FPP Managed Fund (A046)	0.00%	0.00%	0.00%	0.00%	100.00%	0.00%	0.00%	0.00%	0.16%
PXCL Managed Retirement (B598)	0.00%	0.00%	0.00%	0.00%	100.00%	0.00%	0.00%	0.00%	0.15%
PXCA Universal Managed Fund (A038)	0.00%	0.00%	0.00%	0.00%	100.00%	0.00%	0.00%	0.00%	0.16%
PXCA FPP Equity Fund (A047)	0.00%	0.00%	0.00%	0.00%	100.00%	0.00%	0.00%	0.00%	0.24%
PXCA Equity 2 (A106)	0.00%	0.00%	0.00%	0.00%	100.00%	0.00%	0.00%	0.00%	0.24%