

Asset Owner Showcase: Phoenix Group

Phoenix Group presents itself as a long-term, responsible asset owner managing capital on behalf of millions of policyholders. Its investment philosophy is anchored in stability, liability alignment and sustainable value creation, with an emphasis on resilience and income generation rather than short-term performance optimism.

Their approach is shaped by its insurance liability profile, resulting in a preference for long-duration, generative assets and a strong focus on preserving capital over extended horizons.

Investment Model

Phoenix's investment approach is defined by its role as a liability-driven investor with a long-term capital horizon. Key characteristics include:

- Alignment of investment strategy with long-term insurance liabilities
- Preference for resilient, income-generating and cash-flow supportive assets
- A focus on sustainable value creation over short-term return maximisation
- Stewardship embedded as a core component of responsible ownership rather than a standalone function

The overall model reflects a cautious, liability-aware allocation philosophy designed to support policyholder obligations over time.

Stewardship and ESG Approach

Stewardship and ESG considerations are integrated directly into Phoenix's investment and risk framework, positioning the organisation as a stewardship-led asset owner focused on practical impact rather than activism or compliance-driven approaches

Key Themes and Commitments

Phoenix places strong emphasis on achieving tangible improvements in investment decisions, corporate behaviour and broader market outcomes. Core principles include:

- A focus on financially material ESG risks and opportunities
- Climate risk treated as a core long-term investment factor
- Governance quality viewed as foundational to investment performance
- Collaboration through industry initiatives where appropriate
- A focus on outcomes rather than ESG signalling or reporting topics
- Accountability and transparency in engagement, voting decisions and outcomes

Engagement Model

Engagement is positioned as Phoenix Group's primary stewardship mechanism and is framed as constructive, ongoing and outcomes-oriented. Key features include:

- Direct engagement with companies to improve practices and outcomes
- A focus on financial resilience alongside broader real-world impacts

Escalation Approach

Escalation is used where necessary, when collaborative engagement fails.

Voting Model

Phoenix delegates the operational execution of voting to external investment managers while retaining oversight and accountability for stewardship outcomes. Key elements include:

- Voting responsibility primarily delegated to external managers
- Managers vote on Phoenix's behalf across resolutions, including board elections and shareholder proposals
- Phoenix focuses on setting expectations and monitoring outcomes
- A clear distinction between ownership accountability and day-to-day implementation

This reinforces Phoenix's position as a principles-led asset owner that prioritises governance oversight over detailed micromanagement.

Manager Oversight

Managers are expected to demonstrate:

- Alignment with Phoenix's long-term investment objectives
- Meaningful, company-specific engagement activity
- Willingness to escalate concerns where material risks persist
- Transparent and consistent reporting on engagement and voting activity

Key Implications for Investee Companies

Phoenix Group's approach reflects a long-term, liability-driven asset ownership model with a strong reliance on delegated but closely monitored stewardship. For investee companies, this means:

- Engagement is typically channelled through external managers, but remains aligned to Phoenix's expectations and oversight

- Companies should expect a focus on financially material risks, particularly climate, governance and long-term resilience
- Stewardship interactions are likely to be persistent, constructive and outcomes-focused
- Clear evidence of engagement impact and responsiveness is important
- Long-term alignment with policyholder interests underpins stewardship expectations

Further Resources

Stewardship Report (2024)
Stewardship Policy
Global Voting Principles
Expectations of Companies on Key ESG Issues
Exclusion Policy
Sustainability Report (2024)
Annual Report (2024)

Contact

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All information in this document Phoenix's processes as of their presentation in November 2025, conducted by Valeria Piani (Head of Stewardship). For further reading, visit the links above or email the team.