

6 February 2023

Susan Currie
Financial Reporting Council
8th Floor
125 London Wall
London
EC2Y 5AS

Email: acstandard@frc.org.uk

Dear Ms Currie,

Consultation on the draft Audit Committee Standard

Please find enclosed the response to your consultation from Phoenix Group Holdings plc (“Phoenix”, “the Group”, “we”).

Phoenix is a financial services firm and the UK’s largest long-term savings and retirement business. We are a constituent of the FTSE 100 with circa 7,500 employees and offer a broad range of products to support people across all stages of the savings life cycle.

We agree that Audit Committees have a vital role in reliable corporate reporting through their responsibility for the selection and management of the performance of external auditors to ensure that auditors maintain professional scepticism, challenge management, and thus deliver high quality audits.

We are supportive, both as a financial services company and as a major UK investor on behalf of our customers, of the consultation’s objective to ensure a consistent focus by Audit Committee’s within the FTSE 350 on audit quality in selecting and managing external auditor’s performance.

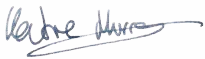
As a premium listed and regulated insurance firm, Phoenix is already subject to the requirements of a large number of governance frameworks, including the Companies Act, the Financial Conduct Authority (“FCA”) Listing rules, the Corporate Governance Code, and regulatory oversight through the regimes of the FCA and the Prudential Regulation Authority (“PRA”), including the Senior Manager and Certification Regime (“SMCR”). This governance provides oversight of the operations, corporate and financial reporting, auditors and the behaviour of the directors and key persons of both the Group and its Public Interest Entity (“PIE”) subsidiaries.

The PRA holds significant powers in relation to insurance companies’ audit committees, through the operation of the SMCR. The PRA approves Audit Committee chair appointments and sets conduct standards for individual accountability. It also has supervisory requirements for the relationships it has with insurers’ auditors.

We therefore suggest that the Audit, Reporting and Governance Authority’s (ARGA) regulation in relation to the Audit Committee Standard should recognise the potential for overlap with existing and other requirements.

Please contact our Group Financial Controller, Will Swift at will.swift@thephoenixgroup.com, should you wish to discuss our response further.

Yours sincerely



Katie Murray

Group Audit Committee Chair