This presentation may contain certain “forward-looking statements” with respect to certain of Standard Life's plans and its current goals and expectations relating to its future financial condition, performance, results, strategy and objectives. Statements containing the words “believes”, “intends”, “expects”, “plans”, “pursues”, “seeks” and “anticipates”, and words of similar meaning, are forward-looking. By their nature, all forward-looking statements involve risk and uncertainty because they relate to future events and circumstances which are beyond Standard Life's control including among other things, UK domestic and global economic and business conditions, market related risks such as fluctuations in interest rates and exchange rates, and the performance of financial markets generally; the policies and actions of regulatory authorities, the impact of competition, inflation, and deflation; experience in particular with regard to mortality and morbidity trends, lapse rates and policy renewal rates; the timing, impact and other uncertainties of future acquisitions or combinations within relevant industries; and the impact of changes in capital, solvency or accounting standards, and tax and other legislation and regulations in the jurisdictions in which Standard Life and its affiliates operate. This may for example result in changes to assumptions used for determining results of operations or re-estimations of reserves for future policy benefits. As a result, Standard Life’s actual future financial condition, performance and results may differ materially from the plans, goals, and expectations set forth in the forward-looking statements. Standard Life undertakes no obligation to update the forward-looking statements contained in this presentation or any other forward-looking statements it may make.
Agenda

Annual results presentation

• Driving performance and growth
• Full year results 2015
• Building a simplified and well diversified investment company
• Questions & answers

Solvency II insight session
Driving performance and growth

- Growth channels gross inflows up 28% to £40.8bn (2014: £31.8bn) with net inflows up 144% to £14.9bn (2014: £6.1bn)
- Launched 13 new investment propositions and MyFolio AUM now over £8bn
- Helped over 50,000 people through pension freedoms in 2015 and have now added over 820,000 customers since auto enrolment began
- Agreed to increase stake in HDFC Life to 35% subject to regulatory approval
- Completed sale of Canada and return of £1.75bn to shareholders
- Operating profit of £665m
- Well capitalised with a stable Solvency II surplus of £2.1bn and ratio of 162%
- Final dividend of 12.34p, up 8.0%, making a total of 18.36p for the year
Building a simplified and well diversified investment company

Demutualisation
Strengthening the balance sheet and raising capital to fund transformation into a scalable fee based business

Transformation
Simplifying our business through disposals of subscale and capital intensive units and investment in our scalable fee businesses

Sustainable Growth
Building a simplified and well diversified world-class investment company

  Growth channels: Institutional, Wholesale, Workplace and Retail

  One company, one culture, one vision

2005  2010  2015
Well positioned to capitalise on major global trends shaping the savings and investments landscape

Democratisation of financial risk

Innovation, technology and digitalisation

Rebuilding trust in financial services

Slow growth, low inflation, compressed return environment
Our vision for a world-class investment company

- World-class investment company
  - Putting long-term client and customer needs at our heart
  - Trusted to look after client and customer assets
  - Business that people aspire to work for and be associated with
  - A common culture built on teamwork, respect and a commitment to excellence in all we do

- Simplified and well diversified
  - Diversified across geographies, asset classes and client and customer channels
  - Revenues and profit driven by asset growth
  - Strengthening leading strategic positions to drive sustainable growth

Bringing together best-in-class investment management, distribution platforms and propositions
How we think about our business

- **Growth channels** driving increase in assets, revenue and profit
  
  Primarily:
  - Standard Life Investments **Institutional** and **Wholesale**
  - UK Pensions and Savings **Workplace** and **Retail** new style propositions

- **Mature books** providing stable and consistent contribution to profit and a source of financial strength underpinned by a strong Solvency II position
  
  Primarily:
  - UK Mature Retail and Annuities
  - Phoenix life book bringing additional scale

- **Strategic associate and joint venture life businesses** in India and China
Growth channels driving increase in fee AUA

Growth channels with almost £200bn of assets and 5 year CAGR of 15%

All figures are reported on a continuing operations basis.
Growth channels driving increase in revenue and profit

- **Growth channels** driving increase in fee revenue:
  - Growth channel fee revenue more than doubled since 2010 to £1,096m
  - 5 year CAGR of 16%

- **Scalable business model**:
  - Majority of increase in fee revenue falling through to the bottom line
  - Underlying performance from fee business up £422m or 394% to £529m (2010: £107m)
  - 5 year CAGR of 38%

All figures are reported on a continuing operations basis.
Full year results 2015

Driving performance and growth

Luke Savage

Standard Life
Delivering across our simple business model

Increasing assets

Group AUA up 4% to £307.4bn
(2014: £296.6bn)

Maximising revenue

Fee based revenue up 10% to £1,579m
(2014: £1,429m)

Driving profit

Group underlying performance up 12% to £630m
(2014: £565m)

Lowering unit costs

Total expense costs down 6 bps to 40bps¹
(2014: 46bps²)

Optimising the balance sheet, generating cash and growing the dividend by 7.8%

Solvency II surplus of £2.1bn and Solvency II capital ratio of 162%
Return of £1.75bn to shareholders

Diluted operating EPS of 26.1p

1. Excluding £9m contribution to with profits business in Germany. 2. Excluding £17m HWPF adjustment.
All figures are reported on a continuing operations basis.
## Group operating profit

<table>
<thead>
<tr>
<th></th>
<th>2015 £m</th>
<th>2014 £m</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fee revenue</td>
<td>1,579</td>
<td>1,429</td>
</tr>
<tr>
<td>Spread/risk margin</td>
<td>101</td>
<td>140</td>
</tr>
<tr>
<td><strong>Total income</strong></td>
<td>1,680</td>
<td>1,569</td>
</tr>
<tr>
<td>Total operating expenses</td>
<td>(1,115)</td>
<td>(1,045)</td>
</tr>
<tr>
<td>Capital management</td>
<td>9</td>
<td>2</td>
</tr>
<tr>
<td>Share of associates and JVs</td>
<td>56</td>
<td>39</td>
</tr>
<tr>
<td><strong>Group underlying performance</strong></td>
<td>630</td>
<td>565</td>
</tr>
<tr>
<td><strong>Group underlying performance (ex spread/risk margin)</strong></td>
<td>529</td>
<td>425</td>
</tr>
<tr>
<td>One-off contribution to with profits business in Germany</td>
<td>(9)</td>
<td>-</td>
</tr>
<tr>
<td>Operating assumption and actuarial reserving changes</td>
<td>44</td>
<td>43</td>
</tr>
<tr>
<td><strong>Group operating profit before tax</strong></td>
<td>665</td>
<td>608</td>
</tr>
</tbody>
</table>
## Non-operating items

### Total non-operating items - continuing and discontinued operations

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>One-off</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gain on sale of Canadian business</td>
<td>1,102</td>
<td>-</td>
</tr>
<tr>
<td>Closure of Singapore insurance business</td>
<td>(40)</td>
<td>-</td>
</tr>
<tr>
<td>Acceleration of DAC amortisation in Hong Kong</td>
<td>(46)</td>
<td>-</td>
</tr>
<tr>
<td>Impairment of intangible assets</td>
<td>(7)</td>
<td>(47)</td>
</tr>
<tr>
<td>Defined benefit pension scheme restructuring costs</td>
<td>(35)</td>
<td>(15)</td>
</tr>
<tr>
<td><strong>Other</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Short-term fluctuations in investment return and economic assumption changes</td>
<td>1</td>
<td>88</td>
</tr>
<tr>
<td>Restructuring expenses</td>
<td>(83)</td>
<td>(125)</td>
</tr>
<tr>
<td>Amortisation of intangibles</td>
<td>(20)</td>
<td>(15)</td>
</tr>
<tr>
<td>Other</td>
<td>(7)</td>
<td>(10)</td>
</tr>
<tr>
<td><strong>Total non-operating items</strong></td>
<td><strong>865</strong></td>
<td><strong>(124)</strong></td>
</tr>
</tbody>
</table>

Expect lower level of restructuring expenses in 2016
Continuing growth in assets in volatile markets ...

**Growth channels net inflows driving increase in assets**

All figures are reported on a continuing operations basis.

Standard Life plc | Full year results 2015 | February 2016
... driven by strong net inflows across our growth channels ...

<table>
<thead>
<tr>
<th>Institutional and Wholesale</th>
<th>Workplace and Retail</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2014</strong></td>
<td><strong>2014</strong></td>
</tr>
<tr>
<td>£0bn</td>
<td>£15.0bn</td>
</tr>
<tr>
<td>£6.0bn (Wholesale)</td>
<td>£5.1bn (Workplace)</td>
</tr>
<tr>
<td>£5.2bn (Institutional)</td>
<td>£2.2bn (Retail)</td>
</tr>
<tr>
<td>£3.3bn</td>
<td>£2.9bn</td>
</tr>
<tr>
<td><strong>2015</strong></td>
<td><strong>2015</strong></td>
</tr>
<tr>
<td>£12.6bn</td>
<td>£15.0bn</td>
</tr>
<tr>
<td>£9.3bn (Wholesale)</td>
<td>£5.8bn (Workplace)</td>
</tr>
<tr>
<td>£3.3bn (Institutional)</td>
<td>£1.9bn (Retail)</td>
</tr>
<tr>
<td><strong>Closing AUM</strong></td>
<td><strong>Closing AUA</strong></td>
</tr>
<tr>
<td>£96.9bn</td>
<td>£69.3bn</td>
</tr>
<tr>
<td><strong>Net inflows as a % of opening AUM</strong></td>
<td><strong>Net inflows as a % of opening AUA</strong></td>
</tr>
<tr>
<td>+7%</td>
<td>+8%</td>
</tr>
<tr>
<td>+13%</td>
<td>+8%</td>
</tr>
</tbody>
</table>

Net inflows 11% of opening assets
... with Institutional and Wholesale benefiting from an increasingly global client base ... 

Two thirds of net inflows from outside of the UK

1. Asia Pacific and India.
... and Workplace and Retail continuing to see strong customer demand

AE success driving regular premium growth

Wrap continues to lead the advised platform market

Ongoing momentum in Workplace and Retail

1. Includes offshore bond reported within Europe growth fee (2015: £0.4bn; 2014: £0.2bn).

Standard Life plc | Full year results 2015 | February 2016
Growth in assets driving strong increase in fee revenue

Underlying fee revenue up 12%

1. Includes increase in revenue from Ignis of £33m.
   All figures are reported on a continuing operations basis.
Spread/risk margin reduced in line with expectations

- Reduction in annuity new business profit in line with expectations
- Lower level of asset liability management – in line with previous guidance for 2015 of £30m-£40m (2014: £70m)
- Expect contribution from asset liability management to halve in 2016

All figures are reported on a continuing operations basis.
Ongoing reduction in unit costs

- Increase in expenses more than offset by growth in AUA with unit costs down 6bps\(^2\)
- Integration of Ignis on track to achieve £50m of annual cost savings by 2017
- Continued investment in new propositions, geographic reach and capabilities to support growth

1. Includes increase in expenses from Ignis of £23m. 2. Includes acquisition, maintenance and group corporate centre costs (excludes £17m HWPF adjustment in 2014).
All figures are reported on a continuing operations basis.
Fee revenue growth and scalability driving profit

2014 underlying performance: £565m
2014 underlying spread/risk margin: (£140m)
Increase in fee revenue: £150m
Increase in operating expenses: (£70m)
Increase in capital management: £7m
Increase in share of associates and JVs’ PBT: £17m
2015 underlying spread/risk margin: £101m
2015 underlying performance: £630m

+24%

1. Includes increase in underlying performance from Ignis of £10m.
All figures are reported on a continuing operations basis.
Group underlying performance by business unit

<table>
<thead>
<tr>
<th>Business Unit</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£m</td>
<td>£m</td>
</tr>
<tr>
<td>Standard Life Investments</td>
<td>342</td>
<td>257</td>
</tr>
<tr>
<td>UK spread/risk margin</td>
<td>100</td>
<td>134</td>
</tr>
<tr>
<td>UK excluding spread/risk margin</td>
<td>191</td>
<td>174</td>
</tr>
<tr>
<td>UK Pensions and Savings</td>
<td>291</td>
<td>308</td>
</tr>
<tr>
<td>Europe Pensions and Savings</td>
<td>31</td>
<td>39</td>
</tr>
<tr>
<td>India and China (including associate and joint venture life businesses)</td>
<td>27</td>
<td>23</td>
</tr>
<tr>
<td>Other</td>
<td>(61)</td>
<td>(62)</td>
</tr>
<tr>
<td>Group underlying performance</td>
<td>630</td>
<td>565</td>
</tr>
</tbody>
</table>

All figures are reported on a continuing operations basis.
Institutional and Wholesale driving profit in SLI

<table>
<thead>
<tr>
<th>Standard Life Investments underlying performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>HDFC AMC</td>
</tr>
<tr>
<td>2014</td>
</tr>
<tr>
<td>2015</td>
</tr>
<tr>
<td></td>
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<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Total AUM</th>
</tr>
</thead>
<tbody>
<tr>
<td>£245.9bn</td>
</tr>
<tr>
<td>2014</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Third party AUM⁴</th>
</tr>
</thead>
<tbody>
<tr>
<td>£117.5bn</td>
</tr>
<tr>
<td>2014</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Third party revenue bps⁴</th>
</tr>
</thead>
<tbody>
<tr>
<td>53bps</td>
</tr>
<tr>
<td>2014</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Investment performance³</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 year</td>
</tr>
<tr>
<td>3 years</td>
</tr>
<tr>
<td>5 years</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>EBITDA margin⁵</th>
</tr>
</thead>
<tbody>
<tr>
<td>39%</td>
</tr>
<tr>
<td>2014</td>
</tr>
</tbody>
</table>

---

1. Includes increase in revenue from Ignis of £33m. 2. Includes increase in expenses from Ignis of £23m. 3. Third party AUM above benchmark (excluding strategic partner life business). 4. Excluding strategic partner life business. 5. Earnings before interest, tax, depreciation and amortisation.
Continuing growth in Workplace and Retail

UK Pensions and Savings underlying performance

2014 2015

- £308m (£134m)
- £174m (£11m)

+10%

- £23m
- £5m
- £4m
- £191m
- £100m
- £291m

Total AUA

2014 2015

- £128.1bn £131.6bn

Workplace & Retail net inflows

2014 2015

- £5.1bn £5.8bn

Fee revenue bps

2014 2015

- 62bps 59bps

Operating expense bps

2014 2015

- 40bps 39bps

1. Excluding £17m HWPF adjustment in 2014.
Delivering for our customers in the new pensions world

Increased encashment offset by fall in outflows to annuities

<table>
<thead>
<tr>
<th>Year</th>
<th>Pension outflows £0bn</th>
<th>Encashment and annuity £1bn</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>£842m</td>
<td>£865m</td>
</tr>
<tr>
<td>2014</td>
<td>£363m</td>
<td>£405m</td>
</tr>
<tr>
<td>2015</td>
<td>£181m</td>
<td>£486m</td>
</tr>
<tr>
<td>H1 2015</td>
<td>£91m</td>
<td>£266m</td>
</tr>
<tr>
<td>H2 2015</td>
<td>£90m</td>
<td>£220m</td>
</tr>
</tbody>
</table>

- SL and external annuities
- Full encashment

Building on our leading position in the drawdown market

- New inflows into drawdown up 60% to £1.7bn and drawdown AUA up 18% to £13.6bn (2014: £11.5bn)
  - Average pot size of customers moving into drawdown is over £135,000
  - 78% of customers taking drawdown with pots over £50k are taking tax-free cash only
- Our newly launched non-advised drawdown proposition has accumulated £400m of assets:
  - 70% of customers transacted online
  - Majority of assets managed by Standard Life Investments
- Achieving excellent customer satisfaction (92% would recommend to a friend) and recognition with 6 awards for our online journey

- Helped over 50,000 customers to access their pension savings since 6 April:
  - £0.3bn encashed across Workplace, Retail and old Retail
  - Encashments in Q4 were a third of Q2 peak

1. Outflows from individual and workplace customers aged 55+.
Solvency II, cash generation and dividend
Well capitalised with a stable Solvency II surplus

£2.1bn  Group regulatory surplus
162%  Group regulatory solvency ratio

- Position reflects our focus on fee business and supports our progressive dividend policy
- Stable regulatory surplus
Stable regulatory surplus

- £1.2bn regulatory capital not recognised in Group position
- £2.1bn Group surplus

Stable Group surplus consistent with stable IFRS earnings

1. Interest rate sensitivities assume transitionals are recalculated. 2. Yield floor of −0.3%. 3. 95% of actual rates, implies 5 month increase in life expectancy for 65 year old male.

Standard Life plc | Full year results 2015 | February 2016
Underlying cash generation and methodology unaffected by Solvency II

- Underlying cash generation continues to be aligned to IFRS earnings with 94% of underlying income from fee business
- Excludes share of operating profit from JVs of £56m (2014: £39m)
- Effective rate of tax of 20% (2014: 14%) now more reflective of long-term rate

All figures are reported on a continuing operations basis.

Underlying cash generation up 7%
How we think about capital

Dividends not constrained by regulatory capital

Driving dividends to shareholders:
- 94% of underlying income is fee based
- Subsidiaries efficiently capitalised – regulatory strength at Group and subsidiary level not a constraint
- IFRS profits drive dividends to SL plc and shareholders

£1.1bn of liquid resources supporting:
- Planned increase in HDFC Life stake to 35% (subject to regulatory approval)
- Progressive dividend buffer
- Organic growth / bolt-on acquisitions
Full year dividend up 7.8% to 18.36p

- £1.75bn return of value following sale of Canadian business
- Cash generation from continuing operations equivalent to 22.7p per share

Continuation of progressive dividend policy

1. Implied final dividend based on 5.40p dividend for period from demutualisation to 31 December 2006.
Building a simplified and well diversified investment company

Keith Skeoch

Standard Life
Our simple business model continues to serve us well

- Increasing assets
- Maximising revenue
- Lowering unit costs
- Driving profit

Optimising the balance sheet, generating cash and growing the dividend
Building a simplified and well diversified investment company

Demutualisation
Strengthening the balance sheet and raising capital to fund transformation into a scalable fee based business

Transformation
Simplifying our business through disposals of subscale and capital intensive units and investment in our scalable fee businesses

Sustainable Growth
Growth channels:
- Gross inflows: £40.8bn
- Net inflows: £14.9bn
- Fee revenue:
  - up £112m (75% of total increase of £150m)
  - Main driver of improvement in underlying performance
Our vision for a world-class investment company

- World-class investment company
  - Putting long-term client and customer needs at our heart
  - Trusted to look after client and customer assets
  - Business that people aspire to work for and be associated with
  - A common culture built on teamwork, respect and a commitment to excellence in all we do

- Simplified and well diversified
  - Diversified across geographies, asset classes and client and customer channels
  - Revenues and profit driven by asset growth
  - Strengthening leading strategic positions to drive sustainable growth

Bringing together best-in-class investment management, distribution platforms and propositions
Well positioned to capitalise on major global trends shaping the savings and investments landscape

- Regulatory change driving evolution of customer needs
- Shift from DB to DC and auto enrolment driving growth in DC pensions
- End of compulsory annuitisation increases options for customers and complexity
- Growing need for guidance and advice

- Increased industry regulation
- Focus on value for customers and clients
- Opportunities for trusted brands
- Individuals want to own their assets not look through to providers’ balance sheets

- Technology used to enable scalability and drive efficiencies
- Improves access to assets for customers – increasing importance of relationships, service and brand
- Increasing demand for new and innovative investment solutions to meet evolving needs
- Cost of advice driving demand for online guidance and advice

- Favours active investment management
- Focus on outcome orientation
- Expertise in asset allocation key to success of outcome orientated solutions
Simplified business driven forward by one team

Increasing co-operation, collaboration and efficiency
One company, one culture, one vision

Simplified and well diversified investment company

Growth channels
- Institutional
- Wholesale
- Workplace
- Retail

Stable mature books

One team - increased co-operation, collaboration and efficiency

CJents and customers

India and China associate and JV
Institutional - meeting the needs of clients globally

Institutional market opportunity is large

- More outcome-oriented solutions – seeking optimised performance to meet liabilities over long term
- Slow growth, compressed return environment favours active managers that can deliver performance
- Particular opportunities in management of insurance assets (ILPS), DC pensions and sovereign wealth funds

Leveraging Institutional distribution capability

- Leader in institutional active management in the UK with institutional market share of 5%2
- Increase in net inflows to £3.3bn (2014: £0.8bn)
- Serving clients in 46 countries
- Benefiting from increasing global reach of our distribution
- Opportunities to grow through strategic partners


Standard Life plc | Full year results 2015 | February 2016
Wholesale - benefiting from growing demand from individuals

Fastest growing market segment globally 2016-2020¹

- Individuals demand new active solutions: multi-asset, real assets, unconstrained strategies
- Individuals want to look through to own assets rather than providers’ balance sheets
- Importance of brand, reputation and service – not just investment performance

Our market share of higher margin Wholesale is growing

- 79% increase in net inflows to £9.3bn (2014: £5.2bn)
- UK market share of 5.4% trebled since 2008 and ranked 3rd by AUM (2010: 18th)²
- MyFolio AUM up 37% to £8.1bn (2014: £5.9bn) with net inflows of £1.9bn (32% of opening AUM)

Backed by consistently strong investment performance

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 year</td>
<td>91%</td>
<td>99%</td>
<td>69%</td>
<td>88%</td>
</tr>
<tr>
<td>3 years</td>
<td>81%</td>
<td>94%</td>
<td>98%</td>
<td>95%</td>
</tr>
<tr>
<td>5 years</td>
<td>82%</td>
<td>96%</td>
<td>88%</td>
<td>90%</td>
</tr>
</tbody>
</table>

1. Third party AUM above benchmark (excluding strategic partner life business).
We have a range of proven investment solutions to drive sustainable long-term growth

- Equities
- Multi-asset
- Fixed income
- Real estate
- GARS
- Govt Bonds
- High Yield Credit
- Core Real Estate
- Hybrid Re
- Listed Property
- Core Equity
- Private Equity
- Unconstrained Equity
- Smaller Cos
- Core Equities
- Multi-asset
- Fixed income
- Real estate
We have a range of proven investment solutions to drive sustainable long-term growth
We have a range of proven investment solutions to drive sustainable long-term growth

Significantly expanded investment capability driven by innovation

- New fund launches: over 50
- Assets attracted of £28bn or c25% of Wholesale and Institutional AUM (including £12.3bn from non-GARS products)
- c90% of funds with a 3 year track record have outperformed their benchmarks
Benefiting from an increasingly global presence and strong strategic partners

Utilising best in class distribution: Workplace and Retail channels

Joint ventures:
HDFC Life and HDFC Asset Management in Mumbai and Heng An SL in Tianjin

Strategic partners:
Sumitomo Mitsui, Phoenix Group, John Hancock and Manulife
Workplace – positioned to benefit from DC market growth

**DC workplace pensions market expected to grow strongly**

- Shift from DB to DC and auto enrolment driving growth in DC pensions
- Members of DC pension schemes expected to increase from c7 million at start of auto enrolment in 2012 to over 26 million by 2025
- Average contributions expected to increase

**We are a leading provider of workplace pensions**

- 1.7 million customers (820,000 new customers since auto enrolment began in October 2012)
- Growing regular premiums into workplace through auto enrolment
- Also a source of growth for our retail businesses with £6.0bn transferred since 2012

---

Retail - growth benefiting from success of our platform

Advisers turning to platforms to drive scalability and efficiency

- The platform market remains fragmented but scale will become increasingly important
- Growing need for financial advice with assets expected to remain invested for longer as popularity of drawdown increases

We have the leading platform in the advised retail market

- Retail benefiting from market-leading Wrap platform with record net inflows of £4.4bn in 2015
- Driving assets to Wholesale with c85% of MyFolio distributed through Retail and c25% of Wrap assets managed by Standard Life Investments

Workplace and Retail – further opportunities for greater engagement with our customers

- Driven by increased complexity and personal responsibility
- Tailored approach required to meet different customer and client needs
- Growing importance of relationships, service and brand

Growing demand for guidance and advice

- 1.1m need advice
- 3.2m actively engaged
- Our 3.8m UK customers
- Face-to-face advice
- Robo-advice
- Guidance

We have the solutions to meet our customers’ needs

- Leading range of risk based funds with MyFolio AUM >£8bn and innovative non-advised drawdown solution
- Building our own UK-wide advice business 1825 and have a growing wealth manager in Standard Life Wealth
- Access to growing number of new customers through Workplace

Guidance

<table>
<thead>
<tr>
<th>Year</th>
<th>MyFolio AUM</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>£2.2bn</td>
</tr>
<tr>
<td>2013</td>
<td>£4.0bn</td>
</tr>
<tr>
<td>2014</td>
<td>£5.9bn</td>
</tr>
<tr>
<td>2015</td>
<td>£8.1bn</td>
</tr>
</tbody>
</table>
India is a rich source of opportunity for growth

HDFC Life is a leading private life insurer

- Benefiting from growing economy, rising employment and potential for higher insurance penetration
- Existing 26% stake valued at c£0.5bn compared to original investment of <£0.1bn
- Potential for further value creation from increase in stake to 35% (subject to regulatory approval)

HDFC AMC is the largest mutual funds company in India

- Broad offering diversified by client type and asset class
- AUM of £17.4bn (2014: £15.1bn) including AUM CAGR of 15% over last 5 years
- Clear leader in equities with 18.25% of equity AUM in Indian market

We have two valuable and fast growing Indian businesses

1. Financial year of HDFC Life and HDFC AMC ends 31 March. 2. In constant currency.
Delivering strong organic asset and revenue growth

Driven by our growth channels

Almost £200bn or over 2/3rds of our fee assets in fast growing growth channels
- 5 year annual asset growth of 15%
- 5 year annual revenue growth of 16%

Stable mature books benefit from additional scale of Phoenix Life book AUM
- 5 year annual asset growth of 12%
- 5 year annual revenue growth of 2%

Fee revenue growth (5 year CAGR)

Asset growth (5 year CAGR)
Continuing to reduce unit costs and invest for growth

Growing investments business while managing costs

<table>
<thead>
<tr>
<th>Year</th>
<th>Growth Channel AUM</th>
<th>Cost/Income Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>£60bn</td>
<td>66%</td>
</tr>
<tr>
<td>2012</td>
<td>£73bn</td>
<td>62%</td>
</tr>
<tr>
<td>2013</td>
<td>£90bn</td>
<td>61%</td>
</tr>
<tr>
<td>2014</td>
<td>£118bn</td>
<td>61%</td>
</tr>
<tr>
<td>2015</td>
<td>£131bn</td>
<td>58%</td>
</tr>
</tbody>
</table>

Highly scalable Workplace and Retail business

<table>
<thead>
<tr>
<th>Year</th>
<th>Workplace and Retail AUM</th>
<th>Cost/Income Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>£45bn</td>
<td>74%</td>
</tr>
<tr>
<td>2012</td>
<td>£52bn</td>
<td>64%</td>
</tr>
<tr>
<td>2013</td>
<td>£63bn</td>
<td>58%</td>
</tr>
<tr>
<td>2014</td>
<td>£69bn</td>
<td>60%</td>
</tr>
<tr>
<td>2015</td>
<td>£76bn</td>
<td>58%</td>
</tr>
</tbody>
</table>

- Continuing to invest in broadening our propositions, improving global distribution capability and technology to support growth
- Continuing growth driving reduction in unit costs
- Benefiting from investment in technology and scalable workplace and retail platforms
- Focusing on managing absolute costs to drive unit cost efficiencies

Ongoing focus on driving efficiencies

1. 100% less EBITDA margin. 2.Excluding investment fees paid to SLI.

Standard Life plc | Full year results 2015 | February 2016
Our simple business model will continue to serve us well under Solvency II

- Standard Life is well capitalised with a stable Solvency II surplus
- Solvency II regulatory capital position reflects our focus on fee business
- We continue to think about capital in the same way
- Our business model and IFRS earnings support cash generation and our progressive dividend policy

We will continue to balance investing for growth with returns to shareholders
Building a simplified and well diversified investment company

- Delivering strong organic asset and revenue growth
  - c£200bn of assets in Growth Channels with 15% AUA and 16% revenue CAGR (2010-2015)
  - Stable revenue from Mature Books
- Meeting the investment needs of clients and customers is at the heart of what we do
- Continuing focus on innovation and strong investment performance
- Expanding global reach of Standard Life Investments
- Leveraging our leading platform and pensions positions in the UK
- Ongoing focus on driving down unit costs benefiting from scalable business

One company, one culture, one vision
Questions and answers

Standard Life
Appendix
## Operating profit by business unit

<table>
<thead>
<tr>
<th></th>
<th>Standard Life Investments</th>
<th>UK</th>
<th>Europe</th>
<th>India and China</th>
<th>Other</th>
<th>Eliminations</th>
<th>Total (continuing operations)</th>
<th>Discontinued operations¹</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2015 £m</td>
<td>2014 £m</td>
<td>2015 £m</td>
<td>2014 £m</td>
<td>2015 £m</td>
<td>2014 £m</td>
<td>2015 £m</td>
<td>2014 £m</td>
<td>(2015) £m</td>
</tr>
<tr>
<td>Fee based revenue</td>
<td>843</td>
<td>686</td>
<td>631</td>
<td>619</td>
<td>177</td>
<td>183</td>
<td>38</td>
<td>49</td>
<td>-</td>
</tr>
<tr>
<td>Spread/risk margin</td>
<td>-</td>
<td>-</td>
<td>100</td>
<td>134</td>
<td>1</td>
<td>6</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total income</td>
<td>843</td>
<td>686</td>
<td>731</td>
<td>753</td>
<td>178</td>
<td>189</td>
<td>38</td>
<td>49</td>
<td>-</td>
</tr>
<tr>
<td>Total operating expenses</td>
<td>(532)</td>
<td>(450)</td>
<td>(366)</td>
<td>(371)</td>
<td>(125)</td>
<td>(126)</td>
<td>(36)</td>
<td>(44)</td>
<td>(56)</td>
</tr>
<tr>
<td>Investment management fees to SLI</td>
<td>-</td>
<td>-</td>
<td>(89)</td>
<td>(85)</td>
<td>(21)</td>
<td>(23)</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Capital management</td>
<td>-</td>
<td>-</td>
<td>15</td>
<td>11</td>
<td>(1)</td>
<td>(1)</td>
<td>(1)</td>
<td>(1)</td>
<td>(1)</td>
</tr>
<tr>
<td>Share of associates’ and joint ventures’ profit before tax²</td>
<td>31</td>
<td>21</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>25</td>
<td>18</td>
<td>-</td>
</tr>
<tr>
<td>Group underlying performance</td>
<td>342</td>
<td>257</td>
<td>291</td>
<td>308</td>
<td>31</td>
<td>39</td>
<td>27</td>
<td>23</td>
<td>(61)</td>
</tr>
<tr>
<td>Underlying adjustments</td>
<td>-</td>
<td>43</td>
<td>42</td>
<td>(8)</td>
<td>1</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Operating profit/(loss) before tax</td>
<td>342</td>
<td>257</td>
<td>334</td>
<td>350</td>
<td>23</td>
<td>40</td>
<td>27</td>
<td>23</td>
<td>(61)</td>
</tr>
<tr>
<td>Tax on operating profit/(loss)</td>
<td>(64)</td>
<td>(51)</td>
<td>(48)</td>
<td>(50)</td>
<td>(6)</td>
<td>7</td>
<td>-</td>
<td>-</td>
<td>(1)</td>
</tr>
<tr>
<td>Share of associates’ and joint ventures’ tax expense</td>
<td>(11)</td>
<td>(7)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(2)</td>
<td>2</td>
<td>-</td>
</tr>
<tr>
<td>Operating profit/(loss) after tax</td>
<td>267</td>
<td>199</td>
<td>286</td>
<td>300</td>
<td>17</td>
<td>47</td>
<td>25</td>
<td>24</td>
<td>(57)</td>
</tr>
<tr>
<td>Non-operating items</td>
<td>(53)</td>
<td>(102)</td>
<td>(106)</td>
<td>(30)</td>
<td>(25)</td>
<td>(3)</td>
<td>(47)</td>
<td>(26)</td>
<td>(22)</td>
</tr>
<tr>
<td>Tax on non-operating items</td>
<td>11</td>
<td>17</td>
<td>17</td>
<td>20</td>
<td>(1)</td>
<td>(2)</td>
<td>5</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>Singapore/Dubai included in discontinued segment¹</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Profit for the period attributable to equity holders of Standard Life plc</td>
<td>225</td>
<td>114</td>
<td>197</td>
<td>290</td>
<td>(9)</td>
<td>42</td>
<td>(59)</td>
<td>(4)</td>
<td>(78)</td>
</tr>
</tbody>
</table>

1. Under IFRS 5, Dubai and Singapore do not constitute discontinued operations and are included under continuing operations in the consolidated income statement. Therefore the analysis of Group operating profit by segment above includes the reclassification of Singapore and Dubai results between discontinued and continuing operations.  

## Growth and mature channel supplementary information

<table>
<thead>
<tr>
<th>Gross flows</th>
<th>Net flows</th>
<th>AUA</th>
<th>Fee based revenue</th>
<th>Fee revenue yield</th>
</tr>
</thead>
<tbody>
<tr>
<td>Institutional</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gross flows</td>
<td>9.4</td>
<td>11.1</td>
<td>1.5</td>
<td>2.6</td>
</tr>
<tr>
<td>Net flows</td>
<td>11.8</td>
<td>16.8</td>
<td>2.3</td>
<td>4.0</td>
</tr>
<tr>
<td>AUA</td>
<td>9.9</td>
<td>11.6</td>
<td>5.4</td>
<td>3.5</td>
</tr>
<tr>
<td>Fee revenue</td>
<td>0.7</td>
<td>0.9</td>
<td>0.4</td>
<td>0.7</td>
</tr>
<tr>
<td>Ignis</td>
<td>1.9</td>
<td>2.6</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Europe growth fee</td>
<td>1.4</td>
<td>1.6</td>
<td>0.7</td>
<td>0.6</td>
</tr>
<tr>
<td>Hong Kong</td>
<td>0.1</td>
<td>0.1</td>
<td>-</td>
<td>0.1</td>
</tr>
<tr>
<td>Fee business eliminations</td>
<td>(3.4)</td>
<td>(3.9)</td>
<td>(0.5)</td>
<td>(1.8)</td>
</tr>
<tr>
<td>Total Growth fee</td>
<td>31.8</td>
<td>40.8</td>
<td>9.8</td>
<td>9.7</td>
</tr>
<tr>
<td>Mature retail</td>
<td>0.6</td>
<td>0.7</td>
<td>(2.8)</td>
<td>(3.0)</td>
</tr>
<tr>
<td>Europe mature fee</td>
<td>0.8</td>
<td>0.7</td>
<td>0.5</td>
<td>0.5</td>
</tr>
<tr>
<td>Third party strategic partner life business</td>
<td>-</td>
<td>0.2</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other fee including CWP1</td>
<td>0.1</td>
<td>-</td>
<td>(1.5)</td>
<td>(1.5)</td>
</tr>
<tr>
<td>Total Mature fee</td>
<td>1.5</td>
<td>1.6</td>
<td>(3.8)</td>
<td>(4.0)</td>
</tr>
<tr>
<td>Total fee</td>
<td>33.3</td>
<td>42.4</td>
<td>6.0</td>
<td>5.7</td>
</tr>
<tr>
<td>Spread/risk</td>
<td>0.3</td>
<td>0.2</td>
<td>(0.7)</td>
<td>(0.5)</td>
</tr>
<tr>
<td>Associate and joint venture life businesses</td>
<td>0.4</td>
<td>0.4</td>
<td>0.3</td>
<td>0.2</td>
</tr>
<tr>
<td>Other</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other eliminations</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total continuing operations</td>
<td>34.0</td>
<td>43.0</td>
<td>5.6</td>
<td>5.4</td>
</tr>
</tbody>
</table>

1. Fee based revenue income from investment management expenses charged directly to internal policyholder funds managed by Standard Life Investments for the Standard Life Group. These policyholder funds largely comprise assets across both growth channels and mature books as well as conventional with profits. AUA and flows comprise conventional with profits only.
## UK profit contribution

<table>
<thead>
<tr>
<th></th>
<th>2011 £m</th>
<th>2012 £m</th>
<th>2013 £m</th>
<th>2014 £m</th>
<th>2015 £m</th>
</tr>
</thead>
<tbody>
<tr>
<td>Workplace and retail (ex cash margin)</td>
<td>50</td>
<td>127</td>
<td>149</td>
<td>165</td>
<td>182</td>
</tr>
<tr>
<td>Revenue from cash balances</td>
<td>13</td>
<td>15</td>
<td>16</td>
<td>16</td>
<td>5</td>
</tr>
<tr>
<td><strong>Workplace and retail contribution</strong></td>
<td><strong>63</strong></td>
<td><strong>142</strong></td>
<td><strong>165</strong></td>
<td><strong>181</strong></td>
<td><strong>187</strong></td>
</tr>
<tr>
<td>Mature Retail</td>
<td>186</td>
<td>179</td>
<td>188</td>
<td>189</td>
<td>186</td>
</tr>
<tr>
<td><strong>Fee based business contribution</strong></td>
<td><strong>249</strong></td>
<td><strong>321</strong></td>
<td><strong>353</strong></td>
<td><strong>370</strong></td>
<td><strong>373</strong></td>
</tr>
<tr>
<td>Spread/risk contribution</td>
<td>81</td>
<td>100</td>
<td>102</td>
<td>125</td>
<td>92</td>
</tr>
<tr>
<td>Indirect expenses and capital management</td>
<td>(171)</td>
<td>(160)</td>
<td>(165)</td>
<td>(187)</td>
<td>(174)</td>
</tr>
<tr>
<td><strong>Underlying performance</strong></td>
<td><strong>159</strong></td>
<td><strong>261</strong></td>
<td><strong>290</strong></td>
<td><strong>308</strong></td>
<td><strong>291</strong></td>
</tr>
<tr>
<td>Underlying adjustments</td>
<td>49</td>
<td>90</td>
<td>40</td>
<td>42</td>
<td>43</td>
</tr>
<tr>
<td><strong>Operating profit</strong></td>
<td><strong>208</strong></td>
<td><strong>351</strong></td>
<td><strong>330</strong></td>
<td><strong>350</strong></td>
<td><strong>334</strong></td>
</tr>
</tbody>
</table>

1. Profit contribution reflects the income and expenses directly attributable to each of the UK lines of business. Comparative data has not been restated for changes in allocation between individual lines.
Ongoing growth in fee AUA in Europe

- Increased fee AUA by 5% to £18.0bn driven by net inflows of £1.1bn offsetting adverse FX movements
- German unit-linked net inflows doubled and now represent c30% of Germany net inflows (2014: 12%)
- Leader in offshore investment bonds and Irish MyFolio assets up 43% to £0.7bn
- Fee based revenue up 6% in constant currency
- Operating profit of £23m includes £9m cost of one-off contribution to German with profits fund in H1 2015
- Expect similar level of operating profit in 2016 and 2017
Continued progress in India and China associate and joint venture life businesses

- Agreed to increase stake in HDFC Life from 26% to 35% for £175m\(^1\) (subject to regulatory approval)
- Existing 26% stake valued at c£0.5bn compared to original investment of c£0.1bn
- HDFC Life continues to perform strongly:
  - Over 20m customers in a highly attractive market
  - Ranked 3\(^{rd}\) for new business sales in the private life insurance market\(^2\)
  - Leader in the online market with award-winning and innovative products
- Growth in sales and profit from our joint venture in China
- Hong Kong underlying performance reflects changing regulatory environment

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1. Based on INR exchange rate as at 31 December 2015.  2. As at 31 December 2015.