

2021 GENDER PAY GAP REPORT

Since the Embark Group began its journey in 2013, we have grown to become one of the UK's largest retirement savings providers.

2020 -2021 saw further significant transformation for the Group. We substantially accelerated our growth through two large acquisitions and as a larger and increasingly consolidated Group we took the opportunity to begin maturing a Group focused reward strategy. This report looks to reflect on the impact this transformation has had on our annual report.

Whilst only one of our eight companies is required legally to report our gender pay gap, as with previous years, to demonstrate our ongoing commitment to diversity and equality we have chosen to again also publish our full Group findings voluntarily.

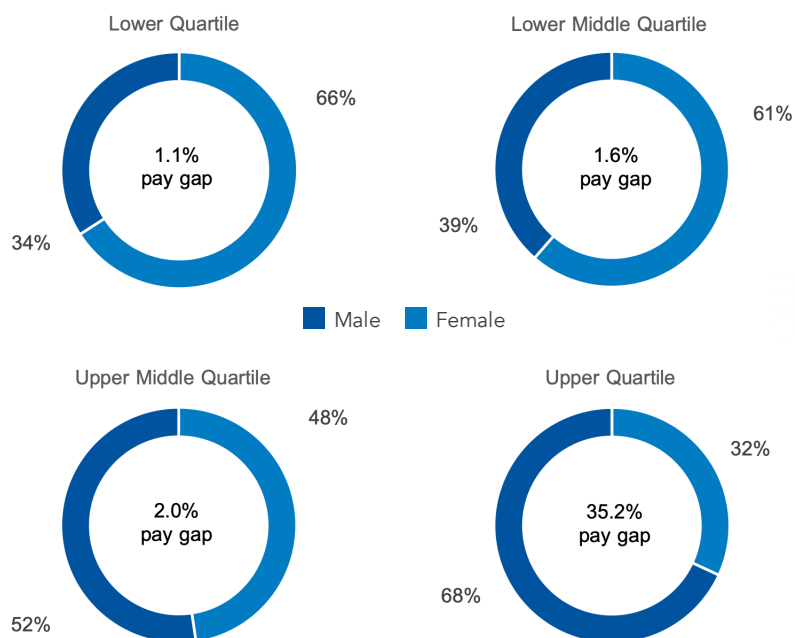


2021 GENDER PAY GAP REPORT

Pay quartiles

The table below illustrates our gender distribution across four equally sized quartiles.

2021	male	female	pay gap
Lower Quartile	34%	66%	1.1%
Lower Middle Quartile	39%	61%	1.6%
Upper Middle Quartile	52%	48%	2.0%
Upper Quartile	68%	32%	35.2%



Gender pay and bonus gap

2021	median	mean
Gender pay gap	28%	42%
Gender bonus gap	25%	77%

The table shows our overall mean and median gender pay gap based on hourly rates of pay as at the snapshot date (5 April 2021). It also captures the mean and median differences between bonuses awarded to men and women in the year up to 5 April 2021. We have seen no movement in the median bonus from 2020.

Proportion of employees awarded a bonus

	received a bonus	did not receive a bonus
Male	58%	42%
Female	57%	43%

Our analysis

Due to the acquisitive nature of our business, our employee base is a blend of internally nurtured and externally sourced talent alongside inherited teams from acquisitions. This year's results again amplify that year on year change in the blend of our employee base, and we have again seen a change in the pay gap within each quartile, in particular in the upper quartile of our pay gap.

Whilst our overall gender split for the reporting period was 52% Female and 48% Male, this distribution is not representative at each level of our grading structure. We believe there are opportunities within Embark to focus on Inclusion and Diversity across our practices, in attraction, retention and development of talent. We will focus on these areas with our new owners, Scottish Widows, in the coming year to bring more diversity within our management and specialist populations as we grow further. *(continued overleaf)*

2021 GENDER PAY GAP REPORT

Our analysis (continued)

We can see sustained numbers of employees receiving bonuses and the median bonus gap staying the same as the previous year. This demonstrates to us, immediate impact of acquisitions aside, our meritocratic culture in action, especially in the midst of the pandemic.

Embark Group is made up of a number of employing entities, only one of which had more than 250 employees at the date of our reporting for the 2021 snapshot.

We manage our approach to pay and bonus, and diversity and inclusion at a group level, however in line with the UK Gender Pay Gap Reporting legislation, specific data for Embark Corporate Services Limited is shown below:

Gender pay and bonus gap

	median	mean
Gender pay gap	27%	38%
Gender bonus gap	33%	65%

Proportion of employees awarded a bonus

	received a bonus	did not receive a bonus
Male	60%	40%
Female	77%	23%

Pay Quartiles

	male	female	pay gap
Lower Quartile	39%	61%	4.3%
Lower Middle Quartile	58%	42%	-1.2%
Upper Middle Quartile	56%	44%	4.1%
Upper Quartile	81%	19%	11.4%

Our sector

Having reviewed the published reports of our direct competitors and reviewing the broader Financial Services sector as our benchmark, we can see that Financial Services remain the sector with the highest average pay gaps, our 2021 gap is less favourable than the industry average which was 23.6% in 2021. We see the opportunity ahead through the acquisition of the Group as a positive way to grow our diversity agenda with an eye to the results we have.

Our commitment

Whilst historic acquisitions could potentially impact our future results, it is important to acknowledge the critical work we are undertaking and also to celebrate our success – our upper middle and lower middle quartiles demonstrate female progression as a result of the people strategy in place to support meritocracy, progression and diversity and we are excited to progress this over the following year.

We will continue to develop and evolve our people strategy to build on the progress we have made, and the opportunities offered as part of a larger Group. Last year we introduced agile working and a fully revised suite of family friendly policies. This year we will focus on career growth and development opportunities within the expanded Group alongside a further maturing of our reward strategy and associated initiatives.

Finally, we are committed to improving gender diversity across our business in the senior management and executive roles where the gap is greatest. We are aligned to the commitment of our new owners to set an aspiration for a leadership team that reflects the society we serve, of 50% women in senior roles by 2025.

Declaration

I confirm that the data reported is accurate.

A handwritten signature in black ink, appearing to read "Kay Smith", with a long horizontal line extending to the right.

Kay Smith
Group HR Director
March 2022