

For professional advisers and distributors only

embark group

ASSESSMENT OF FAIR VALUE

EMBARK PENSIONS OPTION SIPP

REVIEW FINDINGS

The Embark Pensions Option SIPP was assessed for fair value in October 2025. Our review confirmed that the product continues to provide fair value throughout its term, including for customers in vulnerable circumstances, meeting the fair value requirements across all five principles.

GENERAL INFORMATION

Product name:
Embark Pensions Option SIPP

Manufacturer: EBS Pensions Limited (EBS)
(Firm Reference Number: 134908)

Date published: November 2025

Date of next assessment: October 2026

The Embark Pensions Option Self-Invested Personal Pension (SIPP) is a flexible pension plan, designed to help customers save for their retirement in a tax efficient manner, before taking a pension income from the same plan.

Its aims are to provide as much flexibility to customers as possible, specifically relating to:

- Funding their SIPP through transfers and/or contributions (ad hoc or regular)
- Investing their retirement savings through whole of market options
- Withdrawal of benefits from their SIPP from age 55, through Uncrystallised Funds Pension Lump Sum (UFPLS), Flexi-Access Drawdown (FAD) or Capped Drawdown (if an existing arrangement is in place).

The Option SIPP also enables customers to pass on wealth to beneficiaries or dependants in a tax beneficial environment. Further details of the aims of the product are in our Key Features Document, which can be downloaded at **embarkpensions.co.uk**.

The Option SIPP offers a wide range of standard investment options, either held directly or through an investment manager, platform or stockbroker. The Option SIPP does not allow customers to invest in non-standard asset classes or commercial property.

All investments are subject to our due diligence, and we reserve the right to decline any instructions where we are unable to complete due diligence to our satisfaction. >>

THE INFORMATION WE SUPPLY YOU IS NOT INTENDED FOR CUSTOMER USE

There are risks associated with a SIPP and the risks for our Option SIPP are disclosed in our Key Features Document, which can be found at **embarkpensions.co.uk**. The Option SIPP also has a clear and competitive charging structure, and our Fee schedule is available on our website.

The Option SIPP is only available to customers who are resident in the United Kingdom. In addition, applications will only be accepted if the customer has received advice from a regulated financial adviser. Other limitations are: we do not pre-fund tax relief on contributions; we require Defined Benefit transfers to be advised; we only accept contributions in sterling; and income is only paid on prescribed days.



Product Governance

Embark has a product governance policy, procedures and processes in place which set out requirements for the design, approval and review of each of its products, including the Option SIPP. Specifically, these ensure:

- Senior Management is responsible for the approval of any new product developments and changes to existing products
- Target markets & negative target markets are identified, validated, communicated, and reviewed for all products
- New products and product changes are subject to approval
- MI/Data is monitored on an ongoing basis to ensure that products are capable of meeting the needs of customers in the target market and deliver fair value and good outcomes across the life of the product
- Relevant risks are identified, monitored and appropriate mitigations are put in place
- The distribution method and medium are appropriate, and the product can be distributed compliantly
- The product can be managed/maintained in line with customer expectations and terms and conditions
- The product complies with relevant regulation and legislation
- Products are regularly reviewed to ensure they remain capable of meeting customers' needs and delivering fair value, and that the distribution method and medium remains appropriate



Pricing

Pricing is reviewed on an annual basis by the Propositions team and is overseen by the Pensions and Retirement Customer, Risk and Control forum (CRC).

There is a monthly CRC which regularly reviewed the product and servicing, taking into considerations factors such as cost to serve, competitor comparisons, customer behaviours and service standards.

The CRC monitors the above through detailed analysis of MI and customer research to ensure that the product is managed and maintained in line with customer expectations, terms and conditions and that it continues to provide fair value.

Customer research includes outcomes testing and complaints analysis. Findings from monitoring and testing feed into continuous product management activity where any risks are identified, and where appropriate action plans are agreed and implemented. Where risk of poor outcomes is identified the CRC oversee any remediation activity as required.

The CRC will also approve pricing on an annual basis; review and approve any pricing strategy initiatives when there is a business opportunity; and review potential impact to pricing as a direct result of market and regulatory changes.



Distribution strategy

- Given the potentially complex needs of the target market, the Option SIPP is intended to be distributed via financial advisers who provide initial and ongoing advice and support to their customers on the use of the product and their investment choices.
- This is consistent with the target market of the Option SIPP, where fund sizes are sufficiently large to justify the cost of taking advice. The flexibility the Option SIPP offers requires expertise from an adviser.
- The Option SIPP can be used alongside other investment products such as ISAs as part of a customer's overall retirement and financial planning.



Target market

Who is it suitable for?		Who is it not suitable for?	
Customers who		Customers who	
✓	value the services of an adviser and are engaged with their pension	✗	do not wish to use the services of an adviser
✓	are UK residents, employed (or self-employed) and qualify for rax relief on pension payments	✗	are non-UK residents at the time of taking out a plan
✓	are prepared to have money tied up, normally to at least age 55	✗	want unrestricted access to their money before age 55
✓	have existing retirement funds of sufficient value such that the aggregate of all annual charges that apply for the customer's circumstances are less than 2% of their fund value; or the customer has the means to accumulate this amount in the short term through contributions or additional transfers	✗	do not have existing retirement funds of sufficient value such that the aggregate of all annual charges that apply for the customer's circumstances are less than 2% of their fund value; or the customer does not have the means to accumulate this amount in the short term through contributions or additional transfers
✓	are prepared to invest for the medium to long-term (5 years +)	✗	are not prepared to invest for the medium to long-term (5 years +)
✓	can accept the risk of some capital loss	✗	can't accept any capital loss as there are no specific capital guarantees
✓	want a tax-efficient way to build up their retirement savings by investing for potential growth	✗	want to make short-term, high-risk investments
✓	want one pension plan for all stages of their retirement journey (accumulation and decumulation)	✗	want guaranteed income in retirement
✓	want choice over how they take their retirement benefits, and want to remain invested when they do		
✓	want to provide benefits for their beneficiaries on death		
✓	wish to make their own pension arrangements rather than, or in addition to, their employer's scheme		
✓	want to consolidate and manage the pension savings they have built up in other schemes within one plan		
✓	want a full range of standard investment options in line with their aims and attitude to risk		
✓	have a good or a sophisticated level of knowledge of how investments work		
✓	want the flexibility to stop, start or change their contributions and/or income without additional charges		
✓	want transparency and certainty over charges		



Fair value

Our product governance framework and processes aim to assess whether there is a reasonable relationship between the price paid for a product or service and the overall benefit a customer receives from it. The delivery of fair value is supported by the development of a clear target market, appropriate distribution strategy, and servicing designed to support good outcomes.

The Customer Fair Value (CFV) assessment is carried out on an annual basis. The CFV framework has been designed to help us understand the value and outcomes our customers receive. This involves identifying any concerns about value and fairness through the pricing and operation of our products. If necessary, mitigating actions are carried out to address any concerns identified.

The framework also looks to:

- Ensure products are well designed and meet the needs of customers in the target market.
- Compare the costs and benefits (monetary and non-monetary) for customers of the products.
- Ensure customers receive communications and support at key points that help them to understand and use their products in the way intended throughout the time they have them.

Evidence is assessed across 5 key principles; Product Design, Point of Sale, Customer Lifecycle, Intermediaries and Pricing Practices.

Product design

The target market has been identified and the needs of the target market have been incorporated into the product design. The key benefits of the product are:

- Ability to accumulate retirement funds with a secure provider and part of a financially stable FTSE 100 company
- Competitive, menu driven pricing
- Ability to flex how contributions are made
- Wide range of investment options available
- Flexible retirement options
- Ability to view product details online
- Responsive support services on administrative and technical matters

The pricing structure has been designed to ensure fair value, with customers only being charged for the services and features they use. We monitor activity in the book that may result in the customer not receiving fair value (for example excessive cash balances) and will contact the customer and/or their adviser in these instances. We also have processes in place to support vulnerable customers, with vulnerable customer champions appointed in our servicing teams and training rolled out to all staff.

We're committed to delivering the high standards our customers and advisers expect. While recent performance has fallen short, we've launched a robust service recovery plan and are already making progress. We're confident that customers and advisers will experience clear improvements and a more consistent service.

Point of sale

Customers derive fair value at point of sale. We only accept new business through advisers, and as a result our customers benefit from receiving comprehensive financial advice to ensure the product is suitable for their needs. Our communications and documentation issued to customers at the point of sale are in our view clear and easy to understand, however we are undertaking customer testing to identify any areas where they can be improved.

Customer lifecycle

Throughout the customer lifecycle, customers holding the product continue to receive fair value. There are no unreasonable barriers should a customer decide to transfer to another provider, although charges do apply to cover the administration work involved with carrying out the transfer. We monitor activity within the book, including cash levels and our servicing performance, and these are regularly reviewed by our the CRC. Key communications include all the information customers require for the activity are issued at the relevant time.

We've seen an increase in complaints recently, mainly related to delays in processing instructions. We're actively addressing these areas through targeted improvements and remain committed to delivering a better, more consistent experience for our customers and advisers.

Intermediaries

Adviser charges can be facilitated but are subject to customer consent, these are fully disclosed and explained to customers in our illustrations which are issued on an annual basis along with an annual statement.

We have introduced thresholds for adviser remuneration where we consider there to be a risk that charges more than these amounts may result in the customer not receiving fair value. Where these thresholds are breached, we proactively contact the adviser and if necessary, the customer.



Pricing practices

Our pricing practices result in fair outcomes for our customers. We charge a fixed annual fee with additional fixed charges levied depending on the choices made by the customers.

The default bank accounts for the SIPP are transactional, current accounts; we do not consider that cash is an investment suitable for retirement planning. The SIPP is designed to enable access to investment opportunities rather than to hold cash (other than to pay fees and charges). We retain a proportion of bank interest for accounts that are held with Metro; which is used to cover the cost of the banking services provided. This amount is capped at 2%. We do not retain any interest from any other banks used. We consider the interest rates paid to clients to be competitive for a transactional current account.

Charges and retained interest are transparent and easy for the customer to understand.

Charges are reviewed on an annual basis to ensure they remain fair and in line with our administrative costs. We also factor in other costs payable by the customers from other firms in the distribution chain and benchmark our charges against competitors to ensure we are in line with the market.

EBS Pensions Limited act as operator for the Option SIPP, Full SIPP, Liberty SIPP, EBS SIPP and EBS SAPPP. Embark Services Limited act as operator for the Hornbuckle Mitchell SIPP, Hornbuckle Mitchell Private Pension, Hornbuckle Mitchell FIPP, The Private Pension and the Freedom SIPP.

Embark Pensions is a trading name of EBS Pensions Limited and Embark Services Limited. EBS Pensions Limited is a company incorporated in England and Wales (company number 00998606) with its registered office at 33 Old Broad Street, London, EC2N 1HZ. EBS Pensions Limited is authorised and regulated by the Financial Conduct Authority (Financial Services Register number 134908). Embark Services Limited is a company incorporated in England and Wales (company number 02089815) with its registered office at 33 Old Broad Street, London, EC2N 1HZ. Embark Services Limited is authorised and regulated by the Financial Conduct Authority (Financial Services Register number 120820).

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