



PensionBee Group plc

Annual Report and Financial Statements

31 December 2024



Registration Number: 13172844

Contents

Strategic Report

01 PensionBee at a Glance	Page 5
02 Chair's Statement	Page 6
03 Chief Executive Officer's Review	Page 8
04 About Us	Page 10
Our History	Page 10
Our Vision, Mission and Values	Page 12
Our Customer Proposition	Page 13
Our Awards	Page 14
05 Our Strategy	Page 15
06 Our Business Model	Page 22
07 Our People	Page 24
Our Team	Page 24
Our Commitment to Inclusion	Page 24
Remuneration	Page 32
08 Market Opportunity	Page 34
09 Operating and Financial Review	Page 38
10 Measuring our Performance	Page 45
11 ESG Considerations	Page 46
Stakeholder Engagement	Page 46
Section 172 Statement	Page 49
ESG Goals	Page 50
Deep Dives	Page 53
ESG Disclosures and Benchmarking	Page 55
12 Climate-related Disclosures	Page 56
Streamlined Energy and Carbon Reporting	Page 56
Task Force on Climate-related Financial Disclosures	Page 59
13 Managing our Risks	Page 70
Risk Management Framework	Page 70
Principal Risks and Uncertainties	Page 75
Summary of Risk and Mitigations	Page 76
14 Viability Statement	Page 78

Corporate Governance Report

01 Chair's Introduction to Governance	Page 80
02 Board of Directors and Executive Management	Page 83
03 Corporate Governance Statement	Page 89
04 Nomination Committee Report	Page 96
05 Investment Committee Report	Page 100
06 Audit and Risk Committee Report	Page 103
07 Directors' Remuneration Report	Page 110
Annual Statement by the Chair of the Remuneration Committee	Page 110
Directors' Remuneration Policy	Page 113
Annual Report on Remuneration	Page 117
08 Directors' Report	Page 124
09 Statement of Directors' Responsibilities	Page 129

Financial Statements

01 Independent Auditor's Report to the Members of PensionBee Group plc	Page 131
02 Consolidated Statement of Comprehensive Income	Page 138
03 Consolidated Statement of Financial Position	Page 139
04 Consolidated Statement of Change in Equity	Page 140
05 Consolidated Statement of Cash Flows	Page 141
06 Notes to the Consolidated Financial Statements	Page 142
07 Company Financial Statements	Page 164
08 Notes to the Company Financial Statements	Page 166

Other Information

01 Glossary of Terms	Page 172
02 Directors, Company Secretary and Shareholder Information	Page 175

01 PensionBee at a Glance

PensionBee is creating a global leader in the consumer retirement market. Our mission is to build retirement confidence, so that we can live in a world where everyone can enjoy a happy retirement

Having firmly established ourselves as a leading online pension provider in the UK¹ over the last decade and having recently expanded into the US, PensionBee is now able to serve over 85% of the global Defined Contribution retirement market. PensionBee is a financial technology company with approximately 265,000 Invested Customers and £5.8bn of Assets under Administration ('AUA') as at 31 December 2024 (2023: 229,000 Invested Customers and £4.4bn of AUA).²

We deliver a leading customer proposition to holders of Defined Contribution retirement accounts in the UK and the US, catering for the mass market of consumers that has been underserved, often ignored by the traditional retirement industry. We provide our customers control and clarity, enabling them to interact with their retirement savings through a unique combination of smart technology and dedicated customer service. Our technology platform allows customers to combine their retirement savings and invest in a range of portfolios, make new contributions to their PensionBee retirement account, forecast how much they are expected to have saved by the time they retire, and withdraw their savings to enjoy a happy retirement.

Every PensionBee customer gets their own dedicated 'BeeKeeper', a personal account manager who can guide them through the process. Our customers rate our service highly, as evidenced by our Excellent Trustpilot score of 4.7★ out of 5 (based on >11,000 reviews), our average app store rating of 4.7 out of 5, and our Customer Retention Rate which has consistently been in excess of 95% (2023: Excellent Trustpilot score of 4.6★ based on 10,000 reviews, average app store rating of 4.7 and Customer Retention Rate of >95%).³

For the year ended 31 December 2024, PensionBee's Revenue was £33.2m, representing a growth rate of 39% as compared to £23.8m for 2023.² PensionBee achieved breakeven⁴ on a Group basis, supported by the delivery of Adjusted EBITDA profitability in the UK, all whilst investing in our new US business. Adjusted EBITDA for 2024 was £0.4m, an improvement from £(8.2)m in 2023, with the Adjusted EBITDA Margin increasing to 1% in 2024 from (35)% in 2023.² This highlights our ability to drive growth through scalable investment and disciplined cost management, while successfully expanding into the US market and emphasising our ongoing commitment to the Company's growth.² Profit/(Loss) before Tax correspondingly narrowed to £(3.1)m in 2024 as compared to £(10.7)m in 2023, an improvement of 71%.²

£5.8bn 2024 Assets under Administration ² +34% on 2023	£33.2m 2024 Revenue ² +39% on 2023	£(3.1)m 2024 PBT ² +71% on 2023
£0.4m 2024 Adjusted EBITDA ² n/m on 2023	1% 2024 Adjusted EBITDA Margin ² +36ppt on 2023 ⁵	(1.38)p 2024 EPS ² +71% on 2023
265k 2024 Invested Customers ² +16% on 2023		>95% 2024 Customer Retention ² stable

¹ Supported by PensionBee's Trustpilot score as at 7 January 2025 of 4.7★ out of 5 (based on 11,486 reviews), comparing favourably to other key pension providers who operate in the UK Defined Contributions pension market, together with PensionBee's industry awards as set out on page 14 of the About Us section of the Strategic Report.

² See definitions on page 45 of the Measuring our Performance section of the Strategic Report. PensionBee's Key Performance Indicators include an alternative performance measure ('APM') which is Adjusted EBITDA. APMs are not defined by International Financial Reporting Standards ('IFRS') and should be considered together with the Group's IFRS measurements of performance. PensionBee believes this APM assists in providing additional insight into the underlying performance of PensionBee and aids comparability of information between reporting periods.

³ Average app store rating of 4.7 out of 5 for 31 December 2024, based on a 4.8 Apple Store rating and a 4.6 Google Play rating. Average app store rating of 4.6 for 31 December 2023, based on a 4.8 App Store rating and a 4.5 Google Play rating.

⁴ The break-even point is defined as the point at which PensionBee's total revenue and other income equal approximately its total costs. At this point, PensionBee is neither generating a material Adj. EBITDA profit nor incurring a material Adj. EBITDA loss.

⁵ Represents absolute change in Adjusted EBITDA Margin from (35)% as at 31 December 2023 to 1% as at 31 December 2024.

02 Chair's Statement



"PensionBee has marked its 10th anniversary, demonstrating throughout the decade a consistent track record of achieving performance targets while upholding a strong commitment to customer satisfaction, employee well-being, and the interests of all stakeholders."

Dear fellow shareholder,

It is with great pleasure that I write to you to report on the progress of our Company, through what has been a transformational past year, and to highlight the elements that have been critical to ensuring our continuing success.

Reflecting on a Decade of Success

PensionBee has marked its 10th anniversary, demonstrating throughout the decade a consistent track record of achieving performance targets while upholding a strong commitment to customer satisfaction, employee well-being and the interests of all stakeholders. By the end of 2024, our Invested Customer base reached 265,000, our Assets under Administration stood at £5.8bn and our Revenue for the year was £33m.⁶ These results are testament to the successful execution of our strategy, driven by the unwavering pursuit of our objectives, rigorous cost management, and prudent allocation of capital and resources. This consistent approach has enabled PensionBee to achieve a significant milestone of Adjusted EBITDA breakeven for the Group in 2024, supported by UK Adjusted EBITDA profitability and underscoring the strength of our underlying business model and the exceptional capabilities of our team.⁷ Your Board devotes a substantial proportion of its time to providing oversight of the Company's strategic direction and financial performance, full details of which you will find later within this Annual Report.

Honoring this significant milestone - a decade of success - I would like to share some reflections and highlight some of the Company's key achievements. Over this period, we have played a significant role in transforming the UK pension landscape. By investing heavily in innovative technology and providing excellent customer service, we have empowered our customers to plan for a secure retirement with confidence. Our job has been to ensure that our customers can easily understand their pension to a level where they become 'Pension Confident'. This has all been made possible by the continued leadership and guidance of our founder Romi and co-founder Jonathan, who both quit their jobs back in 2015 and started building PensionBee, an online pension provider that put the customer at its heart. They have never stepped away from their initial long-term vision, they have consistently championed our mission, inspiring and motivating our entire team to share in this pursuit of excellence, and they remain integral to our success.

In today's digital age, a seamless and intuitive user experience is paramount and we have reflected the importance of this through our commitment to continuous improvement over the past ten years, sustained investment and dedicated efforts in product development. We have continued to refine our technology, ensuring that our product is user-friendly and accessible to all. Simplifying complex financial concepts has remained a focus, making it easier for customers to understand their options and manage their retirement. We measure our success not only by our financial performance but also by our ability to consistently exceed customer expectations. Our success is reflected in the maintenance of an impressive average app store rating at 4.7 out of 5 (2023: 4.6), a 4.7★ Excellent Trustpilot score (2023: 4.6★) and a consistent Customer Retention Rate of over 95% (2023: >95%).⁸

The UK pension landscape presents a significant opportunity for PensionBee. We will continue to actively pursue new customer segments, particularly those currently underserved by the traditional pension industry. The pensions industry is rightly highly regulated and technically intricate; jargon is commonplace and at first glance the concepts are far from intuitive. Our aim is to simplify the management of retirement savings, and as such we seek to refine our practices, procedures and processes to remove complexity in every element of what our customers need to do. We believe that this simplicity is innovative and differentiates PensionBee in the pensions market. We believe that by building trust and providing clear, accessible information, we will empower individuals and build confidence. We are democratising access to reliable and secure retirement solutions, ensuring that a wider range of individuals can confidently plan for their future.

The US retirement market also now presents an enormous opportunity for PensionBee. In 2024, we explored opportunities for international expansion, leveraging our expertise and innovative solutions to address the growing global demand for pension consolidation, accessibility and affordable retirement planning for the mass market. PensionBee entered the US market, the world's largest Defined Contribution pension market, in partnership with State Street Global Advisors, one of our long-standing money manager providers and one of the world's largest money managers. PensionBee will pursue this opportunity to reach millions of underserved Americans across the US, capitalising on our existing strengths to harness substantial consumer appetite for an easy retirement solution. The US is the world's largest Defined Contribution pension market, representing approximately 80% of the global total and £22tn in assets.⁹ With operations in the UK and the US, PensionBee is positioned to serve approximately 85% of the global DC

⁶ See definitions on page 45 of the Measuring our Performance section of the Strategic Report.

⁷ See definitions on page 45 of the Measuring our Performance section of the Strategic Report.

⁸ Average app store rating of 4.7 out of 5 for 31 December 2024, based on a 4.8 Apple Store rating and a 4.6 Google Play rating. Average app store rating of 4.6 for 31 December 2023, based on a 4.8 App Store rating and a 4.5 Google Play rating. Trustpilot score of 4.7★ out of 5 as at 7 January 2025 (based on 11,486 reviews). Trustpilot score of 4.6★ out of 5 as at 12 January 2024 (based on 10,004 reviews).

⁹ See pages 34 to 37 of the Market Opportunity section of the Strategic Report.

retirement market and is focused on addressing the expanding pension consolidation opportunity. We will continue to ensure that our entry aligns with our core values and contributes to the long-term sustainability of our business.

I am confident that by focusing on these key areas, PensionBee will continue to thrive and play a vital role in helping individuals both in the UK and the US achieve their retirement goals.

ESG Considerations

We are committed to managing our Environmental, Social, and Governance ('ESG') priorities in a genuine and impactful way, as we believe this will create long-term value for all our stakeholders. We strive to continuously advance our efforts and approach our ESG initiatives with transparency, sharing our goals and key metrics. This, in turn, fosters accountability and keeps our stakeholders informed of our progress.

Throughout 2024, we remained focused on advancing our net-zero commitment, in alignment with the goals of the Paris Agreement.¹⁰ We expanded our climate reporting to include additional Scope 3 categories, new company-wide metrics, and emissions from our US operations. In collaboration with our asset managers, we continue to enhance the quality and availability of climate data. Our 2024 emissions data puts us on track to meet our public commitments, including both interim (2030) and long-term (2050) net-zero targets.

In the UK, in response to customer demand for solutions aligned with international climate agreements, we developed our latest sustainable investing innovation, the Climate Plan. Created in partnership with State Street Global Advisors, this plan targets an ambitious 10% year-on-year carbon reduction pathway and is tailored specifically to our customers' needs, reinforcing our shared vision for a sustainable future. We continued advancing Voting Choice which we established in 2023, voting in alignment with the views and long-term interests of our customers, as determined through annual voting surveys. We used the ISS Voting Choice SRI Policy for 94% of our asset base.

To ensure transparency across all aspects of ESG, we will continue to disclose our progress in alignment with the Sustainability Accounting Standards Board, Workforce Disclosure Initiative, Streamlined Energy and Carbon Reporting ('SECR') framework and the Task Force on Climate-related Financial Disclosures ('TCFD') framework.

Further details of our ESG activities can be found on pages 46 to 55 of the ESG Considerations section of the Strategic Report, and our SECR and TCFD reporting are set out on pages 56 to 69 of the Climate-related Disclosures section of the Strategic Report.

Our Commitment to Inclusion

At PensionBee, inclusion and equality are at the heart of our company, reflected in a diverse team that mirrors society and our customer base. We are proud to have cultivated a workplace where everyone has equal access to opportunities and is treated with respect, fairness and dignity.

We are proud of what has been achieved: 50% female and minority gender representation across our Company,¹¹ 50% at Executive Management level and 57% at Board level, exceeding the FCA's requirements for companies to have at least 40% of women on the board and at least one senior board position being held by a woman.¹²

PensionBee also achieved 35% Asian/Black/Mixed/Multiple/Other ethnic representation across our Company,¹³ 10% at Executive Management level and 14% at Board level, again in line with the FCA's requirement for at least one board member being from an Asian/Black/Mixed/Multiple/Other ethnic background.¹⁴ There were no changes to the composition of the Board in 2024 or in 2025 to date.

A Final Word

Reflecting back on the last decade, the extraordinary success of the Company has been achieved by a resolute focus on our customers and keeping them at the heart of what we do. By simplifying the complexity that exists in retirement through making pension information clear and accessible, and making the customer proposition available at a fair and transparent cost, we have consistently attracted new customers and have seen existing ones consolidate their pensions with us, making us their provider of choice.

The strength, determination and ambition of the Company's leadership and its hugely talented team have made PensionBee a leading online pension provider, supporting peoples' preparation for a happy retirement.

As we now look forward to creating a global leader in the consumer retirement market, I would like to express my sincere gratitude to our dedicated team, valued customers and supportive partners for their continued contributions to our success.

Mark Wood CBE
Non-Executive Chair
12 March 2025

¹⁰ The Paris Agreement is a legally binding international treaty that aims to reduce greenhouse gas emissions and limit global warming. It was adopted in 2015 at the UN Climate Change Conference (COP21) in Paris, France, and entered into force in November 2016. Its overarching goal is to hold 'the increase in the global average temperature to well below 2°C above pre-industrial levels' and pursue efforts 'to limit the temperature increase to 1.5°C above pre-industrial levels'.

¹¹ Applies to the UK workforce (191 UK employees and 6 overseas contractors) plus 4 Non-Executive Directors, excludes 7 US employees.

¹² Supported by analysis from PensionBee's HR information system, December 2024. The Company's Chief Executive Officer role has been filled by a woman since the Company's inception in 2014 and the Senior Independent Director role has been filled by a woman since November 2020.

¹³ Applies to the UK workforce (191 UK employees and 6 overseas contractors) plus 4 Non-Executive Directors, excludes 7 US employees.

¹⁴ Supported by analysis from PensionBee's HR information system, December 2024. There has been one board member from a minority ethnic background at the Company since April 2022.

03 Chief Executive Officer's Review



“2024 marked a decade of PensionBee and was a year of phenomenal opportunity. We cemented our position as a pension provider of choice in the United Kingdom and laid the foundations for substantial additional growth with our entry in the United States

...we are excited to be creating a global leader in the consumer retirement market.”

Dear fellow shareholder,

2024 marked a decade of PensionBee and was a year of phenomenal opportunity. We cemented our position as a pension provider of choice in the United Kingdom ('UK') and laid the foundations for substantial additional growth with our entry in the United States ('US'). With the UK and the US representing over 85% of global Defined Contribution ('DC') pension assets, we are excited to be creating a global leader in the consumer retirement market.¹⁵

Cementing our Position in the United Kingdom

In the United Kingdom, 2024 marked a decade since our founding. I distinctly remember sketching out the vision for a consumer champion in the pension market over the Christmas break of 2014, a company that would help everyday savers navigate the complexity of the financial services market and prepare for a happy retirement. The name 'PensionBee' emerged (a suggestion from my dad), symbolising the hard work of saving for the future and the combination of disparate accounts in one place.

And what a journey it has been. From a plan on a piece of paper to national recognition, PensionBee has achieved brand awareness of 57% in the UK,¹⁶ built through a significant marketing investment of over £64m since founding.¹⁷ 2024 saw us continue our sponsorship of 'extra time' at the Premier League's Brentford Football Club. Extra time is exactly what we aspire to give our customers in the later years of their lives. In honour of our roots and nature, we also continued our sponsorship of National Geographic. We continued creating engaging content for our customers and the broader public, reaching an audience of 258,000¹⁸ through our Pensions Explained Center and blog, while hitting a milestone of more than 250,000 downloads¹⁹ of our Pension Confident Podcast. Building trust and awareness was accompanied by diligent optimisation of our performance marketing channels, with a particular emphasis on search. The results of our diversified approach to marketing expenditure were evident in the growth of our Assets under Administration ('AUA'), which rose by 34% to £5.8bn and the growth of our customers, which exceeded a quarter of a million.²⁰

In many ways 2024 was also a year of preparation for the next 10 years, as we continued to innovate on our approach to product, technology and customer service. PensionBee's business model is rooted in efficiency and harnesses the power of technology to deliver an excellent product and service to our customers while maintaining cost discipline. Core to our technological evolution in 2024 has been the adoption of cutting edge technologies to optimise and accelerate the release of new features that our customers love. Low-code tools, web-standards based mobile app development and harnessing the promise of AI, enable us to take advantage of the latest best practices in software development. Over the coming years, we expect our customers' experience of PensionBee to be elevated through modernised visual and functional enhancements that support our industry-leading 4.7★ service quality and differentiate our offering further.²¹

As we look forward to 2025, our position has been significantly bolstered by the achievement of UK Adjusted EBITDA profitability, in line with the guidance we gave at the time of our IPO.²² We have always been transparent about our growth ambition in our home market and we intend to deploy surplus cash generated in the UK towards our marketing expenditure to further grow our customer base. This year saw the UK business significantly optimise its marketing budget, delivering a 2% year-on-year increase in Net Flows with a 6% reduction in overall marketing expenditure, highlighting the efficiency and impact of our marketing investments. This represents a very efficient base from which to increase our marketing expenditure over the coming years, with a view to growing our UK business to reach one million customers over the long-term.

¹⁵ See pages 34 to 37 of the Market Opportunity section of the Strategic Report.

¹⁶ PensionBee prompted brand awareness tracker, January 2025. Prompted brand awareness measured through a consumer survey asking 'Which of the following have you heard of?' with respect to UK financial services brands: Aviva 85%, Scottish Widows 75% Standard Life 68%, PensionBee 57%, Hargreaves Lansdown 50%, Vanguard 44%, AJ Bell 43%, Nutmeg 40%, Interactive Investor 18%.

¹⁷ £64m of cumulative UK marketing expenditure since inception.

¹⁸ 257,567 unique visits to our Pensions Explained Centre and Blogs, recorded from our Looker analytics platform on 31 December 2024.

¹⁹ 250,829 downloads of our Pension Confident Podcast recorded from Libsyn and Youtube on 31st December 2024.

²⁰ See definitions on page 45 of the Measuring our Performance section of the Strategic Report.

²¹ Trustpilot score of 4.7★ out of 5 (based on 11,486 reviews) recorded as at 7 January 2025.

²² See definitions on page 45 of the Measuring our Performance section of the Strategic Report.

Our Entry into the United States, the World's Largest Market

When considering the next ten years, there is much to be said about our expansion to the US, the world's largest Defined Contribution ('DC' pension market with over £22tr in assets.²³ In 2024, we entered the US market in collaboration with our long-standing partner and one of the world's largest money managers, State Street Global Advisors ('State Street'). Despite its size, the US market faces significant challenges in retirement confidence, particularly among mass-market consumers who are vastly underserved. Similar to the UK, Americans frequently change jobs, with the average person expected to hold 12 jobs over their lifetime.²⁴ This frequent job switching dynamic, coupled with low workplace saving enrollment, has led to a growing issue of proliferating dormant retirement accounts. In the 2010s, dormant savings accounted for 22% of all workplace accounts; today, this figure has risen to 32%, representing 30m dormant workplace accounts.²⁵ Simultaneously, Individual Retirement Account ('IRA')²⁶ penetration remains limited, with only a third of households holding traditional IRAs; and these accounts are predominantly held by older, wealthier and married individuals.²⁷ Individuals with less wealth often feel less confident in selecting and managing investments²⁸, which is why it's no surprise that six out of ten Americans wish they could simply press an 'easy button' to delegate their retirement planning to someone else.²⁹

Our US customer proposition offers the antidote: a straightforward way to consolidate old retirement accounts into a new IRA, helping customers prepare for a happy retirement. Using our unique technological architecture and in-house expertise gained over the last decade, we were able to efficiently lay the foundations for our future US growth. Over the course of 2024, we finalised our commercial arrangement with State Street, registered as an investment adviser with the Securities and Exchange Commission, released a functioning platform and onboarded our very first customers. The year culminated in the release of our native mobile application in the Google Play and Apple App stores in December.

We have also laid the foundations for our multichannel, diversified marketing approach in the US. We have activated our core channels, including search, social media, mobile app campaigns, email nurturing and public relations. The results are promising. The costs to attract new consumers and navigate them through our sign up journey are relatively low and over time can likely be optimised further. Indeed, we believe that in a market of 64m active retirement savers, the marketing opportunities are enormous.³⁰ Whilst we are moving with speed in the US, we remain focused on our long term vision. We are steadily building our brand name in the US, recognising from past experience, the long-term returns of creating awareness among mass market consumers.

2025: the Year of Capitalising on Opportunity and Growth

We were delighted when our shareholders supported our plans to invest in and accelerate the development of our US venture through a £20m fundraise in October 2024. To achieve our long-term ambitions, our focus on market adaptation in 2025 will be relentless. Enhancing our product offering through US-customised features, such as provider-specific transfer journeys, Roth Individual Retirement Accounts and tax-programmed calculators will unlock further potential among US consumers and enable us to accelerate our marketing expenditure and further customer acquisition opportunities, such as our Safe Harbor Individual Retirement Account.³¹ By offering a consumer-oriented solution to employers seeking a new home for former employees' accounts, PensionBee can acquire a significant amount of new customers with relatively smaller accounts and offer them the opportunity to consolidate additional accounts into their new IRA while making tax-advantaged contributions.

In the UK, the need for customers to save for retirement through an efficient and scalable platform has never been greater and the opportunity for PensionBee remains vast. We have evolved from the disruptor in our home market to our current position as a recognised pension provider of choice for many in the UK. This transformation reflects our commitment to delivering accessible and effective pension solutions to the mass market. With the significant milestone of UK Adjusted EBITDA profitability reached,³² we look forward to continuing to build on this position of strength. The competitive moat that we have developed over the last decade around our scalable technology platform, our innovative product offering, our excellent customer service and our purpose-built investment solutions that reflect customers' needs, remains robust. The strength of our marketing capability together with an increased marketing budget, should see us continue to acquire customers efficiently and capture increasing market share, as we prepare for the 1 million customer mark over the long-term.

Overall, as we look forward to 2025, it seems the opportunities for PensionBee are considerable. Our fantastic team is energised and motivated to achieve PensionBee's long-held vision: a world where everyone can enjoy a happy retirement. Onwards we continue!

Romi Savova
Chief Executive Officer
12 March 2025

²³ See pages 34 to 37 of the Market Opportunity section of the Strategic Report.

²⁴ 2020 report from the US Bureau of Labor Statistics.

²⁵ US data based on PensionBee calculations using data from 'Private Pension Plan Bulletin' September 2023, Version 1.0, United States Department of Labor.

²⁶ An individual retirement account ('IRA') is a tax-advantaged retirement savings account into which an individual can contribute either pre- or post-tax money and which grows on either a tax-deferred or tax-free basis.

²⁷ 'The Role of IRAs in US Households' Saving for Retirement, 2023.

²⁸ Economic Well-Being of US Households in 2023, Board Of Governors Of The Federal Reserve System.

²⁹ 2024 Defined Contribution Plan Participant Survey Findings, JP Morgan.

³⁰ See pages 34 to 37 of the Market Opportunity section of the Strategic Report.

³¹ A Roth Individual Retirement Account ('Roth IRA') is a retirement savings account that allows an individual to contribute post-tax money, and then withdraw money tax-free after certain conditions are met. A Safe Harbor Individual Retirement Account is a specialised IRA, established when a qualified retirement savings plan elects to 'force out' small-balance participants (<\$7,000) after they have left employment.

³² See definitions on page 45 of the Measuring our Performance section of the Strategic Report.

04 About Us

Our History

Since inception, we have been a consumer champion in a highly complex industry which is ripe for disruption. Established as a leading online pension provider in the UK, we have taken an important step towards creating a global leader in the consumer retirement market with our US expansion

PensionBee was founded in 2014 with the goal of simplifying pension saving, following our CEO Romi Savova's frustrating experience transferring her own pension, navigating outdated systems, high fees and complex paperwork. Drawing on her background in financial services, she turned that experience into inspiration, and PensionBee was born - a company committed to making retirement planning simple and stress-free for everyone.

Since inception, we have been challenging the status quo of an industry that has long overlooked consumer needs, characterised by poor communication, opaque fees and inefficient processes. By modernising pensions, we have created a better experience for everyday savers, empowering them to build, manage and take control of their retirement savings. We have made pensions simple. Ten years later, our mission has evolved to be one of building pension confidence, and our vision to live in a world where everyone can enjoy a happy retirement.

In the UK, we have focused on growing our customer base, offering customers an excellent lifetime product and service experience powered by our proprietary technology and world-class investing solutions. We ended 2024 with approximately £5.8bn in Assets under Administration ('AUA') and 265,000 Invested Customers ('ICs') (2023: £4.4bn of AUA and 229,000 ICs), having grown rapidly through direct-to-consumer marketing activities and becoming a household brand name for the mass market.³³ Our consistently maintained Customer Retention Rate in excess of 95% (2023: >95%),³⁴ together with an Excellent Trustpilot rating from approximately 11,500 customers,³⁵ are reflective of our continued commitment to customer service.

In 2024, we made significant strides towards creating a global leader in the consumer retirement market, with our expansion into the US. We did so in collaboration with State Street Global Advisors ('State Street'), our longstanding moneymanager partner. This expansion has broadened the addressable opportunity for PensionBee, with the US and the UK together representing over 85% of the global Defined Contribution ('DC') retirement market.³⁶ A successful £20m primary capital raise, supported by existing and new institutional shareholders, will support the acceleration of growth of our US business as we progress our plans to help millions of US consumers also look forward to a happy retirement.

Highlights from our Journey so far	
2014	PensionBee was born Our story began when Romi Savova (CEO) tried to move her old workplace pension and had great difficulty switching providers. She decided there had to be a better way.
2015	Work began - Romi and co-founder Jonathan Lister Parsons (CTO) quit their jobs and started building PensionBee, an online pension provider that put the customer at its heart. - Our first employee joined the Company, we moved into our first office and the team began work on the BeeHive and creation of the PensionBee brand.
2016 AUA: £19m IC: 1k	PensionBee went live - We launched our product with plans from BlackRock and State Street Global Advisors, helping savers combine their old pensions. - Mark Wood CBE, former Chief Executive of Prudential UK, joined as Chair.
2017 AUA: £108m IC: 5k	Innovation and investment We broadened our mix of customers with new product innovations. We introduced our drawdown service, enabling customers to make withdrawals easily online. We also launched our first responsible plan, providing our savers with a climate-conscious way of investing.
2018 AUA: £328m IC: 17k	The app was launched - Our app went live, giving customers the power to manage their pensions from their smartphones. - With the introduction of Open Banking, we also became the first pension provider to integrate with a number of banking and money management apps.
2019 AUA: £745m	We received industry acclaim We became the first pension provider to adopt the Simpler Annual Benefit Statement, winning

³³ See definitions on page 45 of the Measuring our Performance section of the Strategic Report.

³⁴ See definitions on page 45 of the Measuring our Performance section of the Strategic Report.

³⁵ Trustpilot score of 4.7★ out of 5 (based on 11,486 reviews) recorded as at 7 January 2025.

³⁶ See page 45 of the Market Opportunity section of the Strategic Report.

IC: 38k	acclaim from both the government and pensions industry. • We introduced two new pension plans, 4Plus and Preserve, to broaden our appeal amongst customers nearing retirement, as well as a Shariah-compliant plan. • Michelle Cracknell CBE also joined the PensionBee Board as an Independent Non-Executive Director, bringing over 30 years' experience from the pensions and retirement planning industry.
2020 AUA: £1.4bn IC: 69k	AUA exceeded £1bn and we launch the Fossil Fuel Free Plan • We campaigned to show the rest of the pensions industry that there was demand for a fossil fuel free pension, based on customers' feedback. We succeeded with commitments of >£100m and launched our first Fossil Fuel Free Plan. • We won praise for our high levels of innovation and customer service, as well as our industry-leading workplace diversity, when we were named 'Pension Provider of the Year' (UK Pensions Awards). • Mary Francis CBE joined our Board as Senior Independent Director.
2021 AUA: £2.6bn IC: 117k	We became a publicly listed company • We became a publicly listed company with an IPO on the High Growth Segment of the Main Market of the London Stock Exchange ('LSE'), also giving our customers access to buy shares. • The £55m of new capital raised allowed us to further expand and to innovate, so that we could help even more people look forward to a happy retirement. • We were awarded the Internet Crystal Mark and Plain English App Mark For our accessibly-designed website.
2022 AUA: £3.0bn IC: 183k	AUA exceeded £3bn and we joined the Premium Segment of the London Stock Exchange • We transitioned to the Premium Segment of the LSE's Main Market, underscoring our commitment to upholding the highest standards of corporate governance and dedication to achieving our growth ambitions and increasing liquidity. • Lara Oyesanya joined our Board as an Independent Non-Executive Director. • Our 'Believe in the Bee' brand campaign launched with an ad featuring Brentford Football Club players, a cameo from our CEO, plus our distinctive new animated honey bee. • We won multiple awards, including 'FinTech of the Year' (UK FinTech Awards), 'Financial Inclusion' (FSTech Awards) and 'Employer of the Year' (FT Adviser Diversity in Finance Awards). We were awarded five Boring Money Best Buys 2022, including 'Best for Customer Service' and are accredited with Good With Money's 'Good Egg' mark.
2023 AUA: £4.4bn IC: 229k	We achieved Adjusted EBITDA Profitability in the fourth quarter and joined the FTSE • We achieved Adjusted EBITDA profitability in the fourth quarter of the year, paving the way for the Company to achieve full year profitability for 2024. • Having joined the Premium Segment of the LSE's Main Market, we became eligible to join the FTSE, joining the FTSE All Share and the FTSE4Good indices, which supported a broader ownership of the Company's shares.
2024 AUA: £5.8bn IC: 265k	We expanded into the US and achieved Adjusted EBITDA Breakeven on a Group level • We launched in the US in collaboration with our long-standing partner State Street Global Advisors ('State Street'), now addressing c.85% of the global Defined Contribution ('DC') retirement market and taking an important step towards creating a global leader in the Consumer Retirement Market. • We raised £20m of primary capital from new and existing investors to further accelerate the growth of the US business, following a successful capital markets day. • We achieved Adjusted EBITDA breakeven for the Group, supported by Adjusted EBITDA profitability for our UK business in line with long-standing guidance. • As a 200-strong team across the UK and US, we celebrated ten years of PensionBee and many milestones along the way of innovation, growth and impact in the pensions industry.

Our Vision, Mission and Values

Marking our tenth anniversary since PensionBee's inception, and with the Company having grown globally, we recognised that it was the perfect time to refresh and recommit to our vision, mission and values in a process of co-creation with our employees across the Company. They act as a blueprint for everything we do and for our culture, which is our most distinguishing asset.

Our Vision is a world where everyone can enjoy a happy retirement

Our mission is to build pension confidence

Our vision and mission exist to inspire us, to guide us and to remind us of our purpose as a company in the broader world. They motivate our decisions and define the roadmap for our business activities: from excellent customer service and intuitive product design, to investment solutions with some of the world's largest money managers that meet our customers' needs, and impactful corporate and social responsibility initiatives. As a pensions company with a long-term horizon for our customers, we seek to help our customers across the world save for and enjoy a happy retirement.

We work to make this vision a reality for our customers through the elements of financial freedom, good health and social inclusion, which we believe should ultimately lead to better retirement outcomes for our customers.



Financial freedom

We help our customers take control of their finances and fight for their rights as savers

Our customers have a wide range of retirement goals and aspirations, whether purchasing homes close to their children, travelling around the world or simply living without any financial worries.



Good health

We act to prevent our customers' investments from damaging their health, so they can enjoy bigger pensions for longer

Good physical and mental health can have a huge impact on the happiness of later life, and we believe that pensions have a significant role to play in the achievement of both.



Social inclusion

We support savers from all social backgrounds and aim to address financial inequality wherever it exists

PensionBee was built to help people from all backgrounds save for retirement and overcome the barriers that still exist in the pensions system.

Our five core values are Love, Honesty, Innovation, Quality and Simplicity

Our core values serve as our foundation, inspiring our actions, guiding our decisions and defining who we are. They ensure that everyone in the Company remains focused on doing the right thing for all our stakeholders, including our customers, colleagues and society. These five values that were chosen when the Company was first formed have continued to stand the test of time a decade later. As we continue to grow, we continue to place a strong emphasis on preserving the culture that they represent.

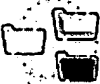
 Love	Act with care, empathy and respect Our value of love is a key distinguishing value, especially in the financial services sector. Love drives our general approach to everything we do and how we communicate with our customers and within our team.
 Quality	Strive for excellence through accuracy, reliability and teamwork Our value of quality describes the type of work our customers expect from us and what we expect from each other.
 Innovation	Lead with vision, embrace change and create positive impact Our value of innovation describes our desire to create value, to be a leader and to accept that PensionBee is always changing.
 Simplicity	Provide clarity in a world of complexity Our value of simplicity focuses on how we aim to simplify our product and service for our customers and on making our own processes simpler as we cut through complexity.
 Honesty	Communicate openly, be authentic and act with integrity Our value of honesty embodies our desire to be straightforward and transparent in our communication and in our product.

Our Customer Proposition

We continue to revolutionise the retirement industry through innovative technology, product leadership and excellent customer service in the UK and now in the US

Retirement accounts are often complicated and difficult to understand, presenting an obstacle for consumers to engage with their savings. Set against this context, PensionBee has developed a simple and easy to use mass market lifetime customer proposition that provides a solution to the consumer problem of saving for and managing income throughout retirement.

Our customer proposition allows customers to combine, contribute and withdraw online and to take control of their retirement.

Combine 	Combine pensions online We enable our customers to combine their old pensions and transfer them into a brand new PensionBee plan in a few easy steps. The average adult changes jobs multiple times throughout their career, often accumulating a variety of retirement accounts with different providers and fee structures. This creates demand for PensionBee's services, as most of our customers choose to consolidate their old accounts. Whether through our website or app, customers can effortlessly combine and transfer their existing retirement accounts into one new PensionBee account. Once their accounts are consolidated, they can easily manage their new account online and track their balance in real time via our website or app.
Contribute 	Contribute at a click We have made it incredibly easy for customers to contribute into their retirement account and grow their savings for a happy retirement. Whether it's a single or regular contribution, customers can complete the process with a simple bank transfer in under 60 seconds. For UK customers making personal pension contributions and eligible for tax relief, we automatically claim the 25% tax top-up from HMRC and add it directly to their pension balance. Additionally, our retirement calculator helps customers estimate their potential retirement income based on factors such as their account size, target retirement age, and ongoing contributions. Self-employed customers can also open a new pension plan without needing to transfer any existing accounts. We are concurrently establishing the groundwork to extend this functionality to the US.
Withdraw 	Withdraw with ease For our customers nearing retirement, we have streamlined the process, allowing them to easily withdraw funds with just a few clicks, eliminating the hassle of time-consuming procedures and complex paperwork. PensionBee enables retirees to set up regular withdrawals and pay themselves a salary throughout retirement. We have developed innovative tools to help everyone enjoy a secure and fulfilling retirement. Alongside our retirement planner, these tools give customers peace of mind, knowing they can plan effectively for their future. Having established our unique product offering in the UK, we are now poised to bring the same simplicity to the US, revolutionising retirement planning and helping everyone achieve a more relaxed and enjoyable retirement.

Our Awards

2024 was another strong year for PensionBee as we received acclaim for the strength of our customer proposition, customer service, diversity and disclosure

PensionBee has received a high level of recognition from customers and third parties for our differentiated customer offering and high standard of customer service, our technology, diversity achievements and our ESG credentials.

Since inception, we have received a total of 86 awards, including the following received in 2024:

- ★ Winner - Best Pension Platform: Large Portfolio, Yourmoney Investment Awards 2024
- ★ Winner - Best Sipp, Boring Money's Awards 2024
- ★ Winner - Best Low-Cost SIPP (<£50k), Boring Money's Awards 2024
- ★ Winner - Best for Beginners, Boring Money's Awards 2024
- ★ Winner - Best Customer Service, Boring Money's Awards 2024
- ★ Winner - Best App, Boring Money's Awards 2024
- ★ Winner - Value for Money Kitemark, Boring Money's Awards 2024
- ★ Winner - WealthTech of the Year, FinTech Awards London 2024
- ★ Winner - Trailblazing Company of the Year, FT Adviser Diversity in Finance Awards 2024 (and highly commended for 'Employer of the Year (small company)')
- ★ Winner - Best Overall Disclosure Score, WDI Workforce Transparency Awards 2024
- ★ Winner - Contingent Workforce Data Award, WDI Workforce Transparency Awards 2024
- ★ Winner - Pensions Marketer of the Year, Financial Promoter Awards 2024 (Jasper Martens, CMO)
- ★ Recognised as Forbes Advisor 'Best Pension Providers in 2024'
- ★ Inducted into the 11:FS Hall of Fame (Romi Savova, CEO)
- ★ Named in The Raconteur 50, Outstanding CEO (Romi Savova, CEO)
- ★ Named in FT1000 Europe's Fastest Growing Companies 2024

05 Our Strategy

PensionBee’s strategy is to be the best online retirement provider for consumers across the world

Our strategy starts with putting the consumer at the heart of everything we do. We want to be a pension company that customers across the world can believe in, trust and be proud to be a part of.

Since inception we have focused on growing our customer base across the UK, offering customers an excellent lifetime product and service experience, powered by our proprietary technology and world-class investing solutions. Having achieved strong Revenue growth and Adjusted EBITDA profitability in the UK, we will focus on growing our market share by increasing our marketing budget, and investing in our product and customer service.³⁷ We believe these are the core factors that will lead to competitor differentiation and competitive advantage over time.

Having expanded into the US in 2024, we are progressing our plans to help millions of US consumers also enjoy a happy retirement. We will focus on continuing to acquire customers and establishing our product offering. The £20m of primary capital we raised in 2024 will support the acceleration of these efforts.

Across our business, we focus on six pillars to drive progress and by which we measure our performance.

1. Customer Growth and Brand Awareness
Continued investment in marketing is key to driving further growth in customers, Assets under Administration ('AUA') and Revenue.³⁸ Due to PensionBee's broad customer appeal, we can adopt large, mass market advertising channels. We remain focused on reinforcing our brand identity and our presence as a household brand name, while advocating for our customers.
Key Highlights for FY2024 UK: • We deployed a £9.1m marketing budget and optimised our Net Flows with predictive data modelling to use our best performing marketing channels. By the end of 2024, we reached 265,000 Invested Customers and held £5.8bn of AUA.³⁹ • PensionBee prompted brand awareness increased from 50% to 57%⁴⁰ by the end of 2024, resulting in a stable CPIC⁴¹. We optimised the budget by using low cost, high impact brand channels, characterised by high frequency and cost effective impressions. We continued as the official Sleeve Partner of Brentford Football Club ('Brentford FC'), delivering substantial brand exposure at an attractive cost. Significant reach figures were achieved through our social channels, including TikTok. • We rolled out more advanced lead and customer nurturing programmes, leveraging our new eCRM platform to facilitate more precise targeting. Examples have included the end-of-year contribution campaigns, try-us-out campaigns and new plan rollout communications, which have allowed customers to increase their contributions, transfer old accounts or switch to an investment plan more aligned with their saving goals. • We achieved better brand and customer engagement through our award-winning Pension Confident Podcast series, blog stories, consumer advocacy and national media campaigns. • We continued to enhance our position as a consumer champion through our active participation in government and industry working groups, regulatory and policy developments and consultations. US: • We acquired our first customers with the aim of testing and optimising our acquisition channel mix. We rolled out tried and tested UK channels into the US market, such as paid search, paid social and app install campaigns. • We established a brand presence with the aim of starting to build brand awareness. We began building trust through press campaigns and branded content (such as our Retirement 101 series).

³⁷ See definitions on page 45 of the Measuring our Performance section of the Strategic Report.

³⁸ See definitions on page 45 of the Measuring our Performance section of the Strategic Report.

³⁹ See definitions on page 45 of the Measuring our Performance section of the Strategic Report.

⁴⁰ PensionBee prompted brand awareness tracker, January 2025. Prompted brand awareness measured through a consumer survey asking 'Which of the following have you heard of?' with respect to UK financial services brands: Aviva 85%, Scottish Widows 75% Standard Life 68%, PensionBee 57%, Hargreaves Lansdown 50%, Vanguard 44%, AJ Bell 43%, Nutmeg 40%, Interactive Investor 18%.

⁴¹ See definitions on page 45 of the Measuring our Performance section of the Strategic Report.

Our Focus for FY2025

UK:

- Increasing our marketing budget while continuing to optimise customer acquisition costs through a data-led marketing acquisition channel mix blend.
- Nurturing and engaging our substantial database of customers and prospective customers, increasing conversion of older cohorts and balances of Invested Customers.
- Improving brand awareness and trust by investing in brand channels and engaging content that builds trust and increases the funnel of prospects.

US:

- Testing, optimising and adjusting key acquisition channels while we roll out new products and features to our first customers.
- Establishing trust and building early awareness of PensionBee in the US through press, high quality content and social media platforms.
- Rolling out our 'Your retirement is in a good place' brand campaign, designed to position PensionBee as a good provider to build a happy retirement.

2. Product Innovation

Continued product innovation is central to our strategy. The PensionBee customer proposition has been enabled by investment in continuous innovation and automation, allowing easy onboarding of customers and intuitive lifetime self-service. We will continue to develop products and features to cater for consumer demand, building on our proven track record of leading the pensions industry with innovation.

Key Highlights for FY2024

UK:

- We continued to innovate, attracting new customers, fostering deeper engagement and encouraging increased pension contributions.
- We empowered customers with greater transparency and tools to understand their pensions better, for example through our improved investment performance charts. These interactive tools illustrate how a £10,000 investment over five years would have grown, enabling customers to compare and evaluate our plans effectively.
- We significantly reduced reliance on manual intervention during pension transfers by streamlining our processes. Innovations like Auto-match (automatically matching common generic providers), Auto-prep (auto-filling data for assigned pension providers), and Auto-send (increasing automated transfers via Origo)-have boosted efficiency and operational leverage.
- We promptly innovated our product to reflect the shift from the Lifetime Allowance to the Lump Sum Allowance, ensuring continued regulatory compliance.
- We strengthened our investment proposition with the launch of the new and improved fossil fuel-free Climate Plan.
- We supported our marketing investment by onboarding Iterable, a platform enabling personalised, multi-channel marketing campaigns to better connect with our audience over email and within our product.

US:

- We successfully launched our minimum viable product ('MVP') US product offering in August 2024, providing US consumers with functionality to combine their old 401(k)s and Individual Retirement Accounts ('IRAs') into a one new Traditional Individual Retirement Account.
- We have been rapidly learning from customer behaviour and insight, iterating on transfer journeys, including functionality to book appointments with BeeKeepers, self-serve guides and employer-to-provider journeys.
- We have supported operations with features like instant document generation, and marketing by onboarding Iterable.
- We launched the US mobile app in December 2024, replicating our existing web experience on a native mobile app using Web Native hybrid technology.

Our Focus for FY2025

UK:

- Positioning ourselves for scalable growth and maintaining our leadership in retirement product innovation. Central to this goal is the unification of our web and mobile platforms. This initiative will deliver a seamless and consistent user experience powered by a single code base and design system, enabling greater efficiency and speed.
- Elevating the experience for customers accessing their pension savings by enhancing our withdrawals product and processes. This includes optimising the operational workflows that underpin withdrawals, improving the customer interface to make it more intuitive and accessible, and introducing regular drawdown for all eligible customers. These improvements will offer greater flexibility and control over pension withdrawals, establishing a key market differentiator that attracts customers with larger pension accounts.
- Simplifying investment choices, by transitioning to the new Global Leaders Plan, replacing the complex Tailored Plan's 'vintages' system. This shift will make investment options easier to understand, reducing customer inquiries while meeting customer needs for ongoing investment growth opportunities prior to retirement.
- Enhancing customer communication to improve clarity and responsiveness. This includes refining transfer process information within the product journey and reducing reliance on email. We will explore alternative communication channels, such as enhanced live chat, to provide real-time support. Additionally, we will optimise our transactional emails, increasing efficiency. These enhancements will streamline the customer experience, reduce queries and increase productivity across our team.

US:

- Expanding the launch product offering to cater for new retirement account types, such as Roth IRAs⁴², new contributions and calculators.
- Improving the rollover and transfer experience, establishing customised PensionBee-to-provider transfer journeys to address specific friction points unique to the US market.
- Launching our Safe Harbor IRA for employers that wish to force out small accounts (<\$7,000) under safe harbor rules.⁴³

3. Technology Platform Leadership

Our proprietary technology is modern, scalable and secure, and designed to support the growth, operational efficiency and other objectives of the business. The cloud-based and API-driven platform provides the foundations on which to continue to build dynamic and innovative products, while maintaining full control over the experience delivered to customers in a cost-efficient manner. The security and compliance of the technology is a top priority, and we maintain a robust information security assurance framework that is independently audited and certified under ISO 27001. We make investments in technology to drive further automation and improve the customer experience.

Key Highlights for FY2024

UK:

- We continued to invest in automation and streamlining processes. For example, in customer operations, automations have reduced the effort required to process pension transfers and as a result, our top-level measure of operational efficiency, the ratio of Invested Customers to employees, increased by 20%, from approximately 1,112 at the end of 2023 to approximately 1,333 at the end of 2024.⁴⁴
- We increased the proportion of the business relying on the Data Platform to make data-driven decisions and trained further Data Champions to support teams. We improved the efficiency of our data pipelines, reducing infrastructure costs and bringing data processing close to real-time. We ran an external review of our Data Governance practices to give us a roadmap for maturing in this area.
- We transitioned our Information Security Management System to be compliant with the new ISO 27001 standard that was updated in 2022, and passed our certification audit against the new standard in November. We renewed our Cyber Essentials Plus certification and ran our annual penetration and business continuity testing programme.
- We furthered the use of AI across the business, running successful trials in software engineering and customer communications analytics, leveraging tools such as GitHub Copilot and Snowflake's Cortex AI.
- We enhanced our Learning & Development programme, including through a series of 'Hack Days', internal mentoring, and a syllabus of training sessions focussed around productivity-enhancing behaviours and techniques. We published an open

⁴² A Roth Individual Retirement Account ('Roth IRA') is a retirement savings account that allows an individual to contribute post-tax money, and then withdraw money tax-free after certain conditions are met.

⁴³ A Safe Harbor Individual Retirement Account is a specialised IRA, established when a qualified retirement savings plan elects to 'force out' small-balance participants (<\$7,000) after they have left employment.

⁴⁴ See definitions on page 45 of the Measuring our Performance section of the Strategic Report.

source training programme on implementing Domain-Driven Design, which was presented at a developer conference.

US:

- We successfully established a US-focussed team to build the MVP of the US product offering. This release reused much of the work we have done for the UK product, but also provided an opportunity to build on that experience and implement some new techniques and technologies.
- We released the first version of a new generation of the mobile app based on Web Native hybrid technology.

Our Focus for FY2025

- Continuing to pursue improved engineering productivity, with a focus on decoupling technological domains, which aims to enable teams to more easily make changes to software they are responsible for.
- Evolving our Information Security and IT Operations strategy with an emphasis on 'Zero Trust' capabilities - aligning with best practice frameworks (such as ITIL, ISO 27001 and NIST) with a primary focus on IT service management improvement, secure self-service for end users, IT security and resilience and IT process improvements.
- Consolidating technical infrastructure and services into an internal developer platform, enabling improved self-service by application developers and providing a consistent approach to tooling, automation and observability.
- Deepening our use of advanced data analytics across operations, finance, marketing and product development, whilst rolling out an improved Data Governance framework.
- Continuing our experimentation and roll-out of technical solutions incorporating AI, in particular in software engineering and customer communications analytics.

US:

- Establishing a base for our US time zone-aligned software development operations.
- Deepening the collaboration between the UK and US-focused technical teams to optimise the sharing of technology across global operations.
- Iterating our MVP, building out third party integrations and working to automate manual processes.

4. Customer Service Excellence

We are focused on making pensions easy to understand and accessible to everyone through simple, straightforward language and engaging visuals. Industry-leading ratings evidence our excellent customer service track record. Our scalable technology-led platform is supported by easily accessible human interaction with 'BeeKeepers', providing customers with a dedicated account manager from the moment they are on the platform, assisting them through the on-boarding process and helping them understand the platform functionality.

Key Highlights for FY2024

UK:

- Customer service continues to be a distinguishing marker of our offering to consumers. We have built and maintained a culture that promotes employee, and in turn customer, happiness. Being able to support and guide our customers is as important as it has ever been.
- We have continued to achieve rapid response times on communications on all channels (live chat, phone, email), including live chat wait times of 14 seconds and email response rates of 85% within 72 hours, even with great levels of inbound communication as the number of Invested Customers has continued to grow.⁴⁵
- Within customer service, we have continued to focus on greater specialisation, introducing a number of champions within our team who support the wider team on the handling of key, complex processes.
- We have continued to iterate our training processes and results reporting, with ongoing projects focused on further automating reporting and improving the specificity of the feedback and support provided to our team.
- Testimony to the continued strength of our customer service, we have maintained a consistently high Customer Retention Rate of >95% since inception, supporting the predictability of our recurring revenues.
- We improved our already Excellent Trustpilot Score increasing from 4.6★ to 4.7★ (based on 11,500 reviews) and achieved an average app store rating of 4.7 (based on a 4.8 Apple Store rating and a 4.6 Google Play rating) at the end of the

⁴⁵ Customer calls had an average live chat wait time of 14 seconds (calculated as the average time customers are waiting in a queue to be put through to a team member) as compared to 15 seconds in 2023. Email response rate calculated as 85% of email cases closed within 72 hours (2023: 87%).

year.⁴⁶ Our internally measured Net Promoter Score was 57.⁴⁷

US:

- We created and evolved our US Customer Success team, from the introduction of our team members to the iteration of our processes in this new region, to building out reporting across key areas including communication channels.
- We introduced scheduled appointments with our BeeKeepers to support transfers and obtain operational knowledge.

Our Focus for FY2025

UK:

- Continuing to maintain our industry leading service standards whilst serving more customers through further optimisation of the transfer journeys.
- Enhancing our data-driven model for measuring customer service productivity and effectiveness, enabling seamless reporting on customer service operations and identifying areas for improvement to boost the productivity of our Customer Success team.
- Introducing AI tooling to improve customer experiences and support the efficiency of our team.

US:

- Further building out our internal processes and our customer journey, with a focus on automation and the streamlining of the journey both for our customers and our internal operations teams.
- Expanding our reporting capabilities and developing our growing team, to ensure we can continue to offer excellent customer service to all our customers across the world.

5. Customer-led Investment Solutions

We continued to partner with some of the world's largest money managers (BlackRock and State Street Global Advisors) to manage our customers' pensions. We engage regularly with our customers to ensure our investment and voting solutions continue to meet their needs and offer value for money. We take action to maintain our market leading plan range, adapting and evolving our investment solutions to reflect changes in the economic and regulatory environment.

Key Highlights for FY2024

UK:

- We concluded our investment plan range review, announcing our new accumulation default plan, Global Leaders. This plan was specially created for PensionBee customers by BlackRock in direct response to our customers' desire for greater transparency and further growth opportunities in the years before retirement. Our new default innovation maintains our market leading investment range in light of changing consumer and market sentiments in the UK pensions industry.
- We developed our latest sustainable investing innovation, a Paris-aligned Climate Plan, in direct response to customer demand for a plan aligned with international climate agreements. The plan was specially created and tailored for our customers in partnership with State Street Global Advisors, targeting an ambitious 10% year on year carbon reduction pathway.
- We expanded our climate reporting to include further Scope 3 categories, new company level metrics and emissions from our US operation. We continued to work with our asset managers on improving the quality and availability of climate data. Our 2024 emissions data leaves us on track to meet our public commitments including interim (2030) and long-term (2050) net zero targets in line with the goals of the Paris Agreement.⁴⁸
- We continued to vote in line with the views and long term interests of our customers, as established via annual voting surveys. We use ISS's Voting Choice SRI proxy voting policy for 94% of the asset base.⁴⁹
- We continued to work with AgeWage, a provider of value for money scores, to independently benchmark our plans against the UK pensions market. In 2024 our plans scored an average of 81 (2023:69).⁵⁰

⁴⁶ Average app store rating of 4.7 out of 5 for 31 December 2024, based on a 4.8 Apple Store rating and a 4.6 Google Play rating. Average app store rating of 4.6 for 31 December 2023, based on a 4.8 App Store rating and a 4.5 Google Play rating. Trustpilot score of 4.7★ out of 5 as at 7 January 2025 (based on 11,486 reviews). Trustpilot score of 4.6★ out of 5 as at 12 January 2024 (based on 10,004 reviews).

⁴⁷ PensionBee's internally measured Net Promoter Score ('NPS') of 57 as at 31 December 2024. Compares to an NPS of 53 as at 31 December 2023. NPS is a customer loyalty and satisfaction measurement taken by asking customers how likely they are to recommend us to others on a scale of 0-10. NPS is calculated by subtracting the percentage of customers who answer the NPS question with a 6 or lower (known as 'detractors') from the percentage of customers who answer with a 9 or 10 (known as 'promoters').

⁴⁸ See pages 56 to 69 of the Climate-related Disclosures section of the Strategic Report.

⁴⁹ Reflects 94% of PensionBee's Assets under Administration across the Tailored, Tracker, 4Plus and Climate Plan as at 31 December 2024. See definitions on page 45 of the Measuring our Performance section of the Strategic Report.

⁵⁰ AgeWage scoring bases 50 as average, with anything above that considered outperformance of the UK market.

- Our Governance Advisory Arrangement assessment, led by ZEDRA Trustees, concluded that the PensionBee Investment Pathway product range continues to provide excellent value for money, for a third year running.
- We expanded the scope of our Consumer Duty Price and Value work to incorporate both updated FCA findings and industry changes in our approach to value for money. This included comparison with other non-workplace defaults and a broader assessment of the value of our service.

US:

- We partnered with State Street Global Advisors to offer a carefully selected range of model portfolios, consisting of Exchange Traded Funds, designed to meet a wide range of US customer needs.

Our Focus for FY2025

UK:

- Further evolving our market-leading plan range, including the introduction of a new decumulation default, to ensure our plans continue to maintain a sharp focus on value for money for our customers at every stage of their retirement journey and meet their evolving needs.
- Developing new investment-focused education content to help grow customer awareness and understanding of the impact of financial markets on pensions, AGM voting and other learning needs identified by our BeeKeepers.
- Refining our voting strategy and role as a responsible asset owner, in line with the views of our customer base. We will continue to work in coalition with other major institutional investors to drive change around the key themes of interest to our customers, such as health and fair wages.
- Continuing to reduce our carbon emissions in line with the goals of the Paris Agreement, developing our transition pathway roadmap and recalculating our public net zero commitments in line with the growth of our international business.

US:

- Embedding the plans and their operations, including portfolio rebalancing.
- Developing educational content to support our customers' understanding and portfolio selection.

6. Resilience Building

Resilience is a critical aspect of effective risk management. Resilience is included as a pillar of our strategy in order to ensure we remain focused on protecting our systems and service for our customers through our ability to prevent incidents, recover from setbacks and adapt to change or uncertainty.

Our holistic approach to building resilience extends beyond a standard risk approach to a longer-term strategic view of the total environment. This includes building resilience into our long-term strategic decision making, developing cross-functional capabilities, and continuously evolving a risk and resilience mindset as a fundamental part of our culture.

In a global context, our resilient operation relies on collaboration across our UK and US teams, efficiently utilising resources and transferring lessons learned to build a consistent and scalable risk management approach, enabling the risk-efficient growth of our business.

Key Highlights for FY2024

UK:

- We utilised a new risk management software 'RiskSmart' to further operationalise our risk management framework, and completed a comprehensive annual Risk and Control Self Assessment process across all PensionBee risks.
- We conducted business continuity and cyber breach exercises to validate the effectiveness of the strategies and procedures put in place to maintain essential operations under stress, and to identify any room for improvement.
- We compiled a comprehensive Service Catalogue classifying all IT services provided by PensionBee, to further streamline the Company-wide incident management and IT Operations processes.
- We strengthened our third party management capabilities by embedding a centralised process for new third parties and enabling efficient coordination of customised due diligence and approvals prior to onboarding.
- We performed a thorough review of the centralised change management process, resulting in improvements to our PensionBee Change Management Policy in order to minimise potential negative impacts of change activities.
- An independent external review confirmed that PensionBee has established a solid foundation for data governance, incorporating key policies and practices that align with industry standards.

- Our Board approved the appointment of a new outsourced Internal Audit function, which will provide additional independent assurance over the effectiveness of PensionBee risk management and internal controls.
- We continued to deliver effective risk management training across the Company, resulting in an improved escalation of risks and incidents, as well as a reduced internal email phishing fail rate.

US:

- We systematically rolled out risk management and resilience capabilities to ensure that the US entity operates within the Board's risk appetite, while supporting the initial rapid growth phase.
- We established a suite of internal policies and performed the initial risk and key control assessments.
- We delivered comprehensive compliance training for all US employees, as well as specialised incident and business continuity management training.
- We provided ongoing regulatory compliance oversight to ensure a systematic approach and our ability to meet and demonstrate adherence to all applicable regulatory requirements.

Our Focus for FY2025

UK:

- Strengthening our Third Line of Defence with the introduction of the outsourced Internal Audit function, initially performing a comprehensive enterprise risk review in order to establish its multi-year audit plan.
- Building a new third party management system module within RiskSmart to enable a more automated and efficient third party risk management, ensuring third parties are robustly monitored throughout the lifecycle.
- Planned business continuity developments, including performing Business Impact Analysis for the key systems, evolving our plans for recovery following a longer-term outage for selected IT assets, and modelling recovery for additional scenarios involving key third parties.
- Evolving our data governance framework, improving data integrity, security and effective data management across the Company, progressing along an established two-year roadmap.
- Expanding risk reporting by consolidating risk data from multiple internal data sources, enabling additional trend analysis and providing further insights into the PensionBee control environment, helping to strengthen our forward-looking risk management abilities.
- Developing new risk metrics and key risk indicators, including the 'culture metrics' for assessing the effectiveness of the First Line risk management and risk culture across the Company.

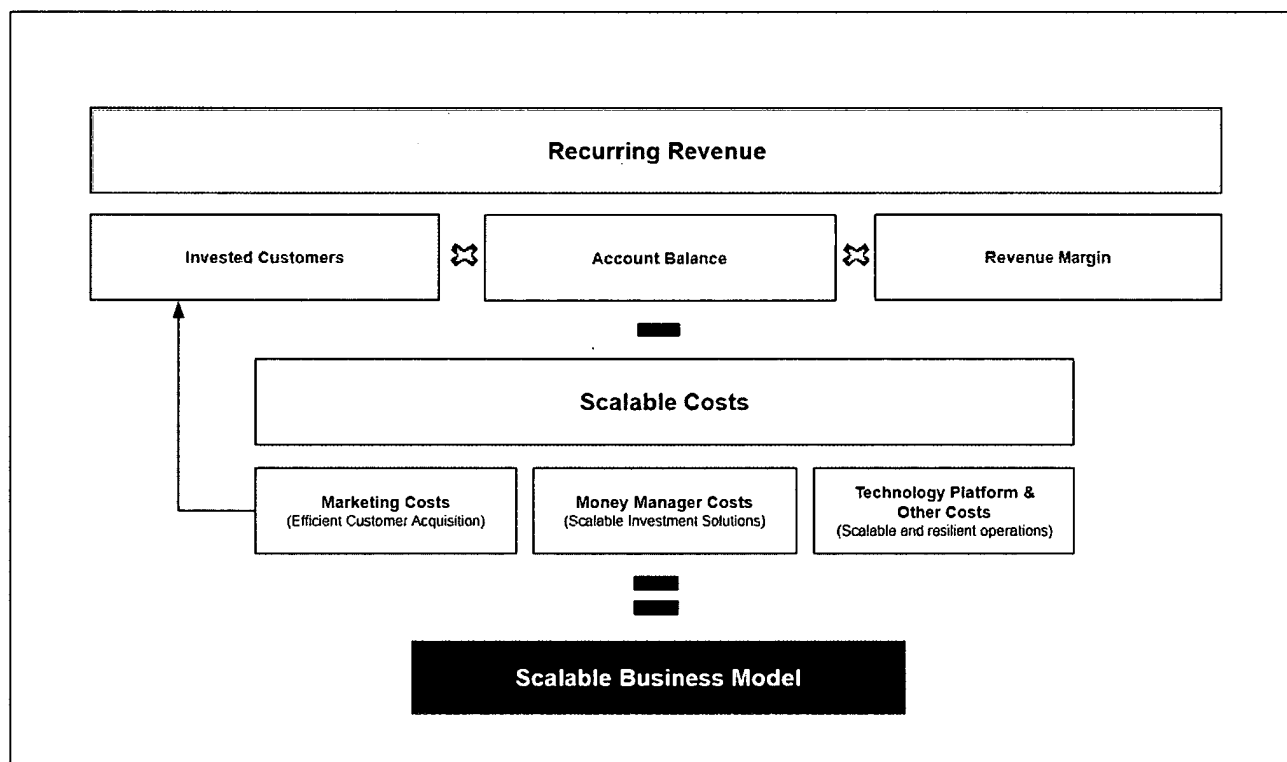
US:

- Continuing to roll out the risk management and resilience capabilities and enhancements by systematically embedding the relevant frameworks and policies consistently across both entities, including our Risk Management, Incident Management, Information Security, Business Continuity, Third Party Management and Change Management policies.
- Utilising RiskSmart to perform our 2025 annual Risk and Control Self Assessment process across all PensionBee risks globally.
- Ensuring data retention and deletion processes are implemented as required across both entities.
- Focusing on 'zero touch' IT Operations and self-service to improve IT support efficiency on a global level.
- Training and supporting our employees throughout the year to reinforce individual responsibilities, promote transparent communication and ensure consistent application of the risk management tools and processes.

06 Our Business Model

We have a straightforward and predictable business model: driving recurring revenue by growing our customer base and their retirement account balances, while maintaining cost efficiency through our scalable technology platform

PensionBee's Business Model



PensionBee's business model and profit formula is straightforward and predictable, built around the following key elements:

Recurring Revenue⁵¹

PensionBee has predictable and recurring Revenue, generated from a durable base of Assets under Administration ('AUA'). The strength of our customer proposition (our innovative product offering, technology platform, investment solutions built for our customers and personalised customer service) and our marketing capability allows us to efficiently acquire Invested Customers, and then grow their account balances over time.

The lifetime customer proposition is designed and built to enable customers to consolidate existing retirement accounts into one new investment plan, make contributions into their account and withdraw in retirement. We provide them with an innovative product on our technology platform with the tools and content they need to see them through the entirety of their retirement, supported by customer service. This model drives predictable and recurring Revenue as customers stay and grow their account balances with us over a lifetime. This is evident in the Invested Customer growth achieved over several years, together with Customer and AUA Retention Rates that have consistently been in excess of 95%.⁵²

AUA and Revenue are directly tied to the underlying market value of the investments customers hold in their accounts, making them closely linked to the health of global markets, including stock and bond markets. Stock markets provide an indication of investment growth, with major global indices such as those in the US and the UK serving as key proxies. While short-term market fluctuations may reduce the value of AUA, exposure to the stock market has historically increased retirement savings. As a result, we can expect AUA and Revenue to grow over the long term, which underpins the predictability and recurring nature of our Revenue.

Revenue is a function of our Revenue Margin, which is straight-forward, stable and predictable. We offer a simple and transparent fee structure to our customers - one simple annual fee based on the investment plan an individual chooses after consolidating their accounts or saving into a new account. We do not charge a fee for consolidation, or impose any additional platform or one-off fees or switching between investment plans, nor do we provide financial advice. In the UK, the ongoing annual fee charged to the customer ranges from 0.50% to 0.95% of an individual's retirement assets, depending on the chosen investment plan. In the UK, fees are halved on the portion of a customer's retirement assets over £100,000 and there are no minimum pension account balance requirements. In the

⁵¹ See definitions on page 45 of the Measuring our Performance section of the Strategic Report.

⁵² See definitions on page 45 of the Measuring our Performance section of the Strategic Report.

US, we charge our customers one simple transparent annual fee of 0.85% of their retirement assets, with no minimum retirement account balance requirement.

Scalable Costs⁵³

The inherent scalability of our business, combined with effective cost control, enables us to consistently reduce costs as a percentage of Revenue. Our disciplined approach allows us to manage and drive our profit margins in alignment with our long-term goals.

Marketing Costs (Efficient Customer Acquisition)

We employ an effective marketing strategy that reflects the importance of managing the end-to-end relationship with our customers and our desire to have total control over the quality of experience - both of which are key to customer retention.

Our model allows us to effectively and efficiently acquire Invested Customers through a combination of complementary brand and performance channels including search, social media, television, out-of-home advertising, sports sponsorships and radio. Our branding and digital proposition appeal to a mass market audience, enabling us to advertise efficiently across a wide range of media. We take a disciplined and responsive approach to marketing, strategically allocating spend across channels with a focus on achieving rapid payback, typically within the first few years of acquiring a customer.

Money Manager Costs (Scalable Investment Solutions)

PensionBee offers its customers highly liquid, scalable investment management solutions from the world's largest money managers (BlackRock and State Street Global Advisors) to manage their retirement investments. These solutions are predominantly passive investment products sourced at increasingly efficient institutional rates. They provide unrestricted capacity for inflows and are highly liquid.

Technology Platform & Other Costs (Scalable and Resilient Operations)

We continually invest in our technology, product and people in an efficient and disciplined manner. The scalability and control of these elements of our cost base⁵⁴ are central to our business model and increasing profitability.

Product: Our customer proposition is tech-enabled, allowing for easy onboarding and intuitive self-service throughout a customer's lifetime. We leverage technology to ensure our service is efficient and automated, so that adding new customers and assets incurs marginal costs.

Technology Platform: Our technology platform is scalable, secure, and reliable. Our product offering is built on dynamic, world-class cloud-native infrastructure. Having invested in it over the past decade, we have created a scalable platform on which to continue onboarding and serving customers in the UK and in the US. Critically, we have built a platform that enables us to keep responding to our customers' needs so that we continue to be the preferred destination for their retirement savings.

People: Our technology platform also facilitates the provision of our industry-leading customer service at scale. Our decade long investment has resulted in automations and more efficient transfer journeys, allowing our team to serve increasingly more customers. This can be demonstrated through a 20%⁵⁵ productivity improvement year-on-year (2024: 1,333 Invested Customers per Staff Member as compared to 2023: 1,112 Invested Customers per Staff Member), our excellent customer service highlighted by our Trustpilot score of 4.7★ out of 5⁵⁶, and our rapid response times.⁵⁷

⁵³ See definitions on page 45 of the Measuring our Performance section of the Strategic Report.

⁵⁴ Cost base is defined as Operating Costs less Share-based Payments, Depreciation and Amortisation Expense and Expansion Costs.

⁵⁵ See definitions on page 45 of the Measuring our Performance section of the Strategic Report.

⁵⁶ Trustpilot score of 4.7★ out of 5 as at 7 January 2025 (based on 11,486 reviews). Trustpilot score of 4.6★ out of 5 as at 12 January 2024 (based on 10,004 reviews).

⁵⁷ Customer calls had an average live chat wait time of 14 seconds (calculated as the average time customers are waiting in a queue to be put through to a team member) as compared to 15 seconds in 2023. Email response rate calculated as 85% of email cases closed within 72 hours (87% in 2023).

07 Our People

Our Team

Our team brings a wealth of expertise across all disciplines, enabling us to deliver excellent customer outcomes while driving growth and performance.

Led by our founders Romi Savova and Jonathan Lister Parsons, we have a strong and established Executive Management Team. We have an experienced and diverse Board, led by our Chair Mark Wood CBE (former CEO of Prudential UK).

Across the UK and the US we have a diverse and inclusive total workforce of approximately 200 individuals⁵⁸ that are motivated and empowered to achieve great results across all areas of the business, including brand and marketing, product development, technology, customer service, finance, legal and risk.

We nurture and develop our talent, striving to keep our people actively engaged, happy and motivated. Our strong culture and core values not only drive our success, but also help us attract and retain individuals who are deeply passionate about our vision and committed to making a difference.

Our Commitment to Inclusion

We have a well established history of fostering diversity and inclusion, aligning with our vision of a world where everyone can enjoy a happy retirement. We believe that one aspect of achieving a happy retirement is social inclusion. Our diverse workforce helps us serve pension savers across the UK and the US, to build a truly inclusive product that reflects the needs of a multi-faceted society.

In 2024, we continued to develop our Diversity and Inclusion programme, which aimed to foster and enable:

- A culture that encourages our team to be themselves and to bring their whole selves to work so that we can be productive and cohesive.
- Open and honest conversations about the societal issues that impact us as a team and therefore our customers.
- Learning and acceptance of our differences to foster community and cohesion among individuals and teams.
- Authentic thought leadership advancement in these areas.

To deliver on this programme, we covered eight different diversity and inclusion topics, each with a dedicated month of activities, sponsored by the Executive Management Team, with this same approach having been well received by the team in the prior year. The topics were chosen to reflect our team, guided by employee feedback on the areas that matter most to them.

The eight months that made up this year's programme were:

- Allyship Month
- Women's Month
- Neurodiversity & Disability Awareness Month
- Social Mobility Awareness Month
- LGBTQ+ Awareness Month
- Age Awareness Month
- Black History Month
- Carer's Month

After each month, an anonymous survey was sent out to the whole Company in order to solicit feedback, which was then used to consider both how to evolve the programme for 2025, including renaming it 'Hive & Thrive', and how to evolve our policies and working practices.

Our Annual Engagement Survey reinforced that PensionBee is a special place to work and the feedback from our team continues to be the driving force behind our Culture Programme, which in 2024 saw a number of new initiatives introduced, including our Internal Communications Strategy, our monthly company newsletter 'Buzzworthy' and our mentoring programme, 'Bee Connected'. This year we saw over 20% of the company engage with the mentoring programme, which provided opportunities both for general mentoring and inclusion, equality and diversity specific mentoring. In the coming year the Culture Programme will be developed further following the latest survey results, with a drive for greater participation in Bee Connected and a new 'Evolving With Love' initiative, which will focus on the evolution of our culture as we grow both in the UK and the US. The results of this year's survey and action plans were communicated to employees at a Company-wide presentation, with materials also published in our PensionBee employee handbook. Results from the survey were also shared in an annual deep dive with the Board to ensure they were kept well-informed of our progress in this area, and to ensure that the Executive Management Team maintained accountability.

"I wasn't sure what to expect from the Bee Connected Mentoring Program, but it turned out to be great. I think my mentor is a perfect match, and I'm grateful to have this safe space to reflect on my development."
(Mentee at PensionBee)

In 2025, we will be redeveloping our approach, with an increased focus on the Inclusion and Equality elements, in the belief that achieving our goals in these areas will result in Diversity naturally following. The goals that underpin our approach to Inclusion, Equality & Diversity and our aim to provide an environment where everyone can thrive are:

- to provide a tailored and rewarding career
- to provide fair and equitable access to opportunities
- to provide a safe, respectful and enjoyable working environment

⁵⁸ As of 31 December 2024. The total workforce of 204 includes 191 UK employees, 6 overseas contractors and 7 US employees.

- to have a positive impact on the wider community
- to learn from others and share progress externally

Living our Values

At PensionBee we work hard to protect and nurture our company culture by living our values, as when we do so, our culture thrives and our business grows. When we ignore our values, our culture is undermined and our ability to serve our customers diminishes. Therefore, protecting and nurturing our culture is of the utmost importance.

Culture Code

Our Culture Code is a practical guide to the positive behaviours which make up our culture and keep us close to our values. In 2024, we undertook a process that included more than 80 of our team coming together to redefine our values as:

- Love - act with care, empathy and respect
- Honesty - communicate openly, be authentic and act with integrity
- Quality - strive for excellence through accuracy, reliability and teamwork
- Innovation - lead with vision, embrace change and create a positive impact
- Simplicity - provide clarity in a world of complexity

Our Culture Code sets the expectations for how we expect our team to interact with each other, and enables us to maintain the kind of workplace our team loves to call theirs, providing guidance on how we should keep thriving together.

Inclusion Commitment

We are a respectful and inclusive workplace that aims to ensure everyone's dignity. We value every person working at PensionBee regardless of seniority, gender, race, origin, social background, religion, size, age, marital status, parental status, sexuality, gender reassignment, disability, neurodivergence or mental health. We will not tolerate any conduct which harms others, such as discrimination, harassment, sexual harassment, victimisation or bullying. It's important that everyone is able to recognise and address these issues so that they can be avoided and appropriately addressed.

We expect everyone to follow our Culture Code and Inclusion Commitment. We do this to foster a safe, respectful and enjoyable working environment that supports our individual needs, and values our development, so that everyone can be successful as their authentic self, including those traditionally underrepresented within the finance industry and those who have felt less included within traditional diversity initiatives. We promote open communication, encourage employees to speak up about potential risks, foster a sense of accountability and ownership and motivate employees to always do the right thing by our customers.

Each year we ask everyone to complete an anonymous Annual Engagement Survey about how they feel about our commitment to inclusion, engagement and support at PensionBee. The results for 2024 are shown in the Employee Engagement section that follows.

Workforce Composition

By the end of 2024, PensionBee had a total workforce of 204 individuals.⁵⁹ For 2024, we achieved 50% female and minority gender representation and 44% male representation across the Company,⁶⁰ 50% female representation at Executive Management level and 57% at Board level.⁶¹ The Company satisfied the Hampton-Alexander Review⁶² requirement for at least 33% female representation at Board level and the FCA requirement to have at least 40% women on the Board, with at least one senior board position being held by a woman.⁶³

The Company also achieved 35% Asian/Black/Mixed/Multiple/Other ethnic representation across our Company,⁶⁴ 10% at Executive Management level and 14% at Board level.⁶⁵ The Company satisfied the FCA requirement for at least one Board member being from an Asian/Black/Mixed/Multiple/Other background.

There have not been any changes to the composition of the Board in 2024 or in 2025 to date.

⁵⁹ As of 31 December 2024. The total workforce of 204 includes 191 UK employees, 6 overseas contractors and 7 US employees.

⁶⁰ Applies to the UK workforce (191 UK employees and 6 overseas contractors) plus 4 Non-Executive Directors, excludes 7 US employees.

⁶¹ All UK employee data supported by analysis from PensionBee's UK HR information system, December 2024.

⁶² Gov.UK, Independent report: FTSE women leaders: Hampton-Alexander review

⁶³ Chapter 6 of the UK Listing Rules, specifically UKLR 6.6.6R(9) states that at least 40% of individuals on the board should be women, at least one at least one of the senior positions on the board (chair, chief executive, senior independent director or chief financial officer) should be held by a woman, and at least one individual should be from a minority ethnic background. At PensionBee, the Chief Executive Officer role has been filled by a woman since the Company's inception in 2014, the Senior Independent Director role has been filled by a woman since November 2020 and there has been one board member from a minority ethnic background since April 2022.

⁶⁴ Applies to the UK workforce (191 UK employees and 6 overseas contractors) plus 4 Non-Executive Directors, excludes 7 US employees.

⁶⁵ All UK employee data supported by analysis from PensionBee's UK HR information system, December 2024.

Composition of PensionBee's Workforce by Race or Ethnicity⁶⁶

Racial or Ethnic Background	PensionBee Survey Responses 2024 ⁶⁷	PensionBee Survey Responses 2023 ⁶⁸	PensionBee Survey Responses 2022 ⁶⁹	PensionBee Survey Responses 2021 ⁷⁰	UK as per 2021 Census
Asian or Asian British	14%	13%	13%	10%	9%
Black, African, Caribbean or Black British	11%	13%	14%	17%	4%
Latina/o/x or Other	Included in Mixed or Multiple Ethnic Groups	Included in Mixed or Multiple Ethnic Groups	6%	4%	2%
Mixed or Multiple Ethnic Groups	10%	10%	7%	10%	3%
White	57%	55%	57%	58%	82%
No Response or Rather not Say	6%	8%	3%	0%	-

Composition of PensionBee's Workforce in Leadership Positions by Gender⁷¹

	Number of Board Members	Percentage of Board Members	Number of Senior Positions on the Board (CEO, CFO, SID and Chair)	Number of Executive Management	Percentage of Executive Management
Men	3	43%	2	4	40%
Women	4	57%	2	5	50%
Other Categories	-	0%	-	-	0%
Not Specified/ Prefer not to Say	-	0%	-	1	10%

Composition of PensionBee's Workforce in Leadership Positions by Race or Ethnicity⁷²

	Number of Board Members	Percentage of Board Members	Number of Senior Positions on the Board (CEO, CFO, SID and Chair)	Number of Executive Management	Percentage of Executive Management
White British or Other White	6	86%	4	8	80%
Mixed/Multiple	-	0%	-	-	0%
Asian/Asian British	-	0%	-	1	10%
Black/African/ Caribbean/Black British	1	14%	-	-	0%
Other Ethnic Group, including	-	0%	-	-	0%

⁶⁶ All employee data supported by analysis from PensionBee's UK HR information systems.

⁶⁷ Data is based on a 94% disclosure rate and 6% 'no response or rather not say' disclosures.

⁶⁸ Data is based on a 92% disclosure rate and 8% 'no response or rather not say' disclosures.

⁶⁹ Data is based on a 97% disclosure rate and 3% 'rather not say' disclosures.

⁷⁰ Data is based on a 100% disclosure rate.

⁷¹ Supported by analysis from PensionBee's UK HR information system, December 2024.

⁷² Supported by analysis from PensionBee's UK HR information system, December 2024.

Arab					
Not Specified/ Prefer not to Say	-	0%	-	1	10%

Gender Pay Gap

Our vision is a world where everyone can enjoy a happy retirement, one which prioritises social inclusion. As a result we have been strong proponents of closing the gender pension gap and the carers' pension gap more broadly. Our research shows that where a gender pay gap arises, a gender pension gap will follow and will be magnified over time by the effects of compounding investment returns. The gender pension gap in the UK is approximately 38% and up to 60% in some areas of the country.⁷³ We believe that bold action is required to challenge and close this gap, so that women can enjoy similar levels of wealth in retirement as men. This is particularly important as women tend to live longer and often bear their own care costs.

In order to close the gender pension gap, we believe it is important to close the gender pay gap. Proactive measurement, monitoring and appropriate policies to promote gender equality in the workplace are a crucial component of this. The government has introduced requirements to report on the gender pay gap for companies with more than 250 employees. While our workforce is still substantially below that requirement at approximately 200 employees, we believe that proactive monitoring and measurement at an early stage is crucial to maintaining long term gender equality in the workplace.⁷⁴

We continue to scrutinise our data through a number of different lenses to ensure we are in line with our objectives and to consider appropriate policies to promote gender equality in our workplace and we look forward to reporting our pay gap numbers once we reach the required 250 employee headcount.

In the meantime, we present the distribution of female and male employees in each hourly pay quartile below. The data is based on a total of 162 full pay relevant employees in line with government guidance.⁷⁵

Percentage of Men and Women in each Hourly Pay Quarter	Male	Female	Total	% Male	% Female
Upper Hourly Pay Quarter	22	18	40	55%	45%
Upper Middle Hourly Pay Quarter	22	19	41	54%	46%
Lower Middle Hourly Pay Quarter	18	22	40	45%	55%
Lower Hourly Pay Quarter	17	24	41	41%	59%

We note there is a relatively higher distribution of male employees in the upper and upper middle hourly pay quarters and a relatively higher distribution of female employees in the lower middle and lower hourly pay quarters. We continue to monitor our hiring trends to ensure we are working towards as evenly distributed representation as possible, whilst acknowledging that our small workforce means that figures continue to fluctuate.

To further consider our data, we calculated the mean gender pay gap at different levels of seniority to establish whether our pay rates were the same for the same level of work. Our analysis demonstrated that men and women are compensated equivalently for the same work as measured by being the same seniority. Specifically, the pay gaps at each management level all fall within 5% variance either side, except at Levels 4 and 5 where the pay gap is 18%. We have grouped Levels 4 and 5 together to protect anonymity of groups with fewer than 10 employees, which affects the pay gap number for this level as there are more male than female employees at Level 5.

Management Level	Female Average Hourly Pay	Male Average Hourly Pay	Pay Gap
Level 1	14.00	13.65	(3)%
Level 2	16.70	16.16	(3)%
Level 3	21.80	22.21	2%
Levels 4 and 5	31.40	38.07	18%
Level 6	76.22	77.22	1%
Level 7	89.51	90.18	1%

⁷³ Source: PensionBee research: '2021 gender pensions gap analysis by region'.

⁷⁴ As of 31 December 2024. The total workforce of 204 includes 191 UK employees, 6 overseas contractors and 7 US employees.

⁷⁵ 2024 data excludes individuals who have not elected to disclose and individuals who do not qualify for inclusion. However, all Board members have been included, in line with external guidance.

To maintain and improve gender equality in the workplace we will continue to:

- Maintain diverse pipelines, with a particular focus on senior levels and technical roles.
- Support the career development and progression of women at mid-tier level to senior roles.

Ethnicity Pay Gap⁷⁶

The government has provided guidance to report on the ethnicity pay gap and although it is currently voluntary, in line with our approach to gender pay gap reporting, we believe proactive measurement, monitoring and appropriate policies are crucial to build a team that is reflective of society and to create an inclusive workplace.

Government guidance recommends a minimum group size of 50 employees for external publication, to ensure statistical robustness and to protect individuals' anonymity. We have therefore reported on two groups: all white backgrounds combined and all minority ethnic backgrounds combined. We recognise that this approach brings limitations as it hides potential differences between different minority ethnic groups. As we grow our company size we aim to expand the number of reporting categories for ethnicity pay gap reporting in line with government guidance.

We also recognise that small changes in our relatively small workforce can have big impacts and therefore that our numbers can fluctuate substantially from year to year. We take this into consideration when analysing our data, setting objectives and creating action plans. In line with our approach to gender pay gap reporting, we will report our ethnicity pay gap when we reach a minimum headcount of 250 employees.

In the meantime, we have presented the distribution of white and minority ethnic employees in each hourly pay quartile below. The data is based on a total of 162 full pay relevant employees in line with government guidance.⁷⁷

Percentage of White and Minority Ethnic groups in each Hourly Pay Quarter	White	Minority Ethnic	Total	% White	% Minority Ethnic
Upper hourly pay quarter	28	12	40	70%	30%
Upper middle hourly pay quarter	24	17	41	59%	41%
Lower middle hourly pay quarter	26	14	40	65%	35%
Lower hourly pay quarter	23	18	41	56%	44%

Although we have exceeded representation of all minority ethnic backgrounds to match the UK population across the entire UK workforce, we see a relatively lower representation of minority ethnic employees across the upper hourly pay quarters (30%), whereas we see a relatively high representation of minority ethnic employees in the lower hourly pay quarter (44%).

We also considered the ethnicity pay gap at different levels of seniority to establish whether our pay rates are the same for the same level of work. We have grouped together Levels 4 and 5 to protect anonymity of groups with fewer than 10 employees. Our analysis demonstrated that white and minority ethnic employees are compensated equivalently for the same work as measured by being the same seniority. Specifically, the pay gaps per management level all fall within 5% variance either side, except at Level 3 where the pay gap is 6%.

Management Level	White Employees Average Hourly Pay	Minority Ethnic Employees Average Hourly Pay	Pay Gap
Level 1	13.89	13.89	0%
Level 2	16.63	16.26	2%
Level 3	22.71	21.29	6%
Levels 4 and 5	35.11	35.57	(1)%
Level 6	76.28	77.92	(2)%
Level 7	89.96	-	-

Therefore, while minority ethnic employees are overrepresented at junior levels, we remain confident that we maintain ethnicity parity within our workforce given comparable levels of compensation at each seniority level.

To maintain and improve an inclusive workplace we will continue to:

- Maintain diverse pipelines across all levels.
- Continuously review and adapt our hiring processes where applicable.

⁷⁶ All UK employee data supported by analysis from PensionBee's UK HR information system; December 2024.

⁷⁷ 2024 Data excludes individuals who have not elected to disclose and individuals who do not qualify for inclusion. However, all Board members have been included, in line with external guidance.

- Support the career development and progression of minority ethnic employees at lower management levels to more senior roles.

PensionBee's Parental Leave Policy

Becoming a parent is a life changing moment and providing support for all new parents as they navigate this stage in their life journey is key. Our gender-inclusive Paid Parental Leave Policy aims to address some of the challenges that face parents, and to support them in maintaining an engaging and fulfilling career alongside their new responsibilities.⁷⁸ It applies to anyone taking on parental duties, regardless of their biological relationship to the new arrival and irrespective of gender.

"The inclusivity of PensionBee's parental leave policy is brilliant as it treats all new parents equally, no matter their gender or how they come to be parents. The flexibility to use your leave entitlement over two years is such a valuable benefit and, as a single parent, it's going to be a lifeline for all of the upcoming school holidays. Policies like this are what makes PensionBee a unique place to work, where colleagues feel seen, valued and supported. Returning to work has genuinely been a really positive experience!"
(Parent at PensionBee)

Paying a Living Wage

PensionBee is an accredited Living Wage Employer, furthering its mission to champion diversity and representation in the pensions industry.⁷⁹ We pay all our employees a London Living Wage as a minimum, regardless of where they are located across the UK.

We are also a member of ShareAction's Good Work Coalition, regularly supporting public campaigns to address income inequality, tackle in-work poverty and lobbying FTSE 350 companies to pay their employees a fair wage. We collaborate with ShareAction, a charity promoting responsible investment, to encourage publicly-listed companies to adopt a real Living Wage. As members of a ShareAction-led investor coalition, we participate in structured engagement meetings with company management. In 2024, this included engaging with a FTSE 100 company to encourage them to pay a real Living wage to all their workforce, including third-party contractors.

These activities have helped us to facilitate fulfilling careers and to foster an even more diverse and inclusive environment at PensionBee, as well as encouraging change in the wider business landscape.

Employee Engagement

A key aspect of our culture is our strong focus on well-being. We deeply value our employees' happiness, believing that when our employees are happy, our customers are too.

Aligning with our values of Honesty and Love, we took active steps to involve and consult employees where possible, to ensure everyone felt listened to and well-represented.

We have a number of ongoing initiatives in place to make sure we maintain and build upon our diverse and inclusive workplace so that all employees can build fulfilling careers:

- Weekly all-Company Show N Tell meetings with the Chief Executive Officer and Executive Management Team.
- Weekly UK Monday Morning Meeting hosted by the Chief Business Officer UK.
- Monthly Buzzworthy newsletters to keep the team updated with goings on across the Company.
- Regular department updates and 'Ask Me Anything' sessions.
- A series of lived-experience panels, throughout the year, as part of the 'Hive & Thrive' inclusion, equality and diversity programme.
- Bi-monthly 'Happiness!' meetings for employees to discuss their wellbeing with their manager.
- Annual Engagement Survey.
- Bi-Annual manager feedback survey.
- Board-led employee engagement events.
- Anonymous channels for employees to submit any requests, concerns, or issues they may have.
- Qualified Mental Health First Aiders, trained to provide mental health support to our employees.

Our Senior Independent Director, Mary Francis CBE, holds responsibility for employee engagement, and we place great importance on regularly reporting on our people and culture at both the Board and Committee levels. This focus reflects the importance we place on our culture and the significant role it plays in driving our strategy and our success.

The Board engaged with the wider workforce during the year via existing channels and initiatives that were in place across the Company, to ensure that our employees were listened to and well represented.

For 2024, engagements included:

- Operational deep dive sessions into business areas of interest, enabling the Board to gain valuable direct insights and feedback from employees, and providing employees with the opportunity to meet and engage with the Board.
- Participation in Hive & Thrive sessions, including Social Mobility & Age Awareness panels.
- Insight session into Board engagement with company matters, using real life situations, such as the Post Office scandal, to demonstrate the role a Board can play in a company.
- A review of the annual Engagement Survey of all employees, to hear feedback and measure progress.
- Attendance of the Champions Awards Ceremony, where employees nominate each other as Champions in relation to our Company values.

⁷⁸ pensionbee.com/parental-leave-policy

⁷⁹ pensionbee.com/uk/press/pensionbee-becomes-accredited-living-wage-employer

Employees fed back to us that they value in-person activities to build relationships with other colleagues. We responded by organising the following events for colleagues across the UK in 2024:

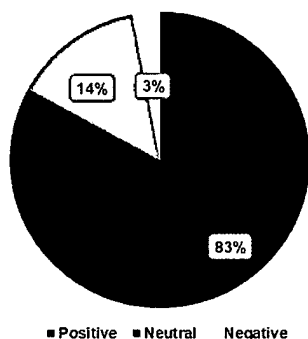
- Pink Ribbon Walk for Breast Cancer Now
- Pride Picnic
- Summer party
- Lunch & Share for South Asian Heritage Month
- Volunteering at the Lunch Club Kitchen with Positive Ageing
- Black History Month social
- Departmental social events
- PensionBee 10 year anniversary party

Measuring our Progress

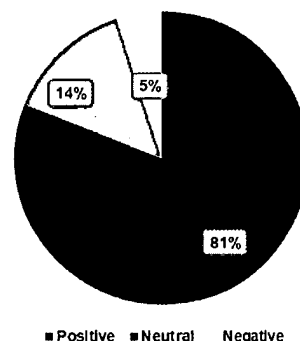
Measuring our progress and seeking feedback from our employees about how we are performing, in terms of facilitating fulfilling careers and maintaining a diverse and inclusive environment, is important. Our Annual Engagement Survey for all our UK employees explores themes related to wellbeing, longevity and remuneration.

For 2024, the data suggested that employees felt aligned with the Company's mission, vision and values, and that their job helped them to stay connected to PensionBee's goals. We felt proud to have achieved a workplace in which 83% of colleagues informed us that they felt connected with PensionBee's mission, vision and values, particularly in a context where most people work remotely.

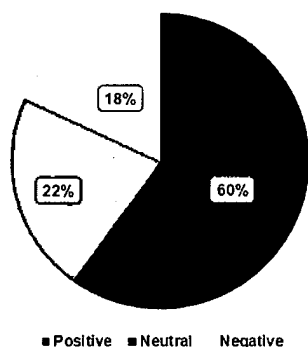
Would you recommend working at PensionBee to a friend?



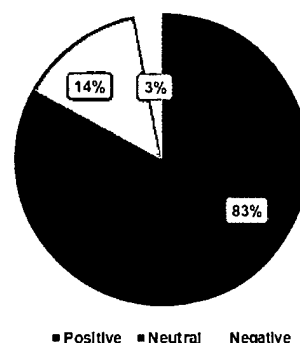
Do you feel a sense of belonging at PensionBee?



Do you feel listened to by PensionBee?



Do you feel aligned with PensionBee's mission, vision and values?



Disability Confident Employer

'Disability Confident' organisations play a critical role in changing attitudes towards disabilities, by altering behaviours and cultures within their own business practices and communities. As hidden disabilities account for 80% of the disabled population, membership to this scheme allows prospective employees and other businesses to easily identify PensionBee as a workplace which places great importance on offering equal opportunities. Additionally, the scheme allows us to increase our understanding of disabilities, and how to aid new and existing disabled employees in reaching their full potential at work.

In 2023, we became a Disability Confident Employer (Level 2)⁸⁰ as part of the government's Disability Confident Employer Scheme, and remain committed to employing people from the widest pool of talent, securing skilled staff from diverse backgrounds and providing guidance for managers supporting employees who are neurodiverse and/or have disabilities.

As part of the scheme we have made five public commitments as an employer:

- Inclusive and accessible recruitment
- Communicating vacancies to encourage applications from disabled people
- Offering an interview to disabled people

⁸⁰ pensionbee.com/press/pensionbee-becomes-a-disability-confident-employer

- Providing reasonable adjustments
- Supporting existing employees

Charters, Pledges and Social Impact Initiatives

We recognise the importance of working together to build change, and believe that transparency is fundamental to driving better standards. We are part of a variety of networking groups and collaborations and attend a variety of external training events to share best practice and learn from others. We have signed up to a variety of commitments, charters and pledges, which we review annually. We also commit to voluntary disclosure on numerous frameworks such as the Workforce Disclosure Initiative.

We are proud to have continued our public commitment to the following initiatives in 2024:

- ABI Making Flexible Work Campaign and Charter⁸¹
- ABI Transparent Parental Leave and Pay Initiative⁸²
- Accredited Living Wage Employer⁸³
- The Diversity Project⁸⁴
- The Workforce Disclosure Initiative Investor Coalition⁸⁵

These public commitments, together with our commitment to sharing our policies transparently wherever possible, not only signal to our current and prospective employees that we care about helping people from all backgrounds thrive at PensionBee, they also encourage other businesses to adopt more inclusive practices.

Volunteering

Each member of the PensionBee team is able to dedicate the equivalent of a full day of work, each year, to volunteer for a cause that is related to PensionBee. Our approach to working with charities and our local communities is outlined in our Community Involvement Policy, available on our website.

In 2024, we offered a number of charity events for colleagues to participate in, support or volunteer for:

- Bankside Futures - Hosting local school children for a session on what it's like working in the pensions industry and presenting a Pensions Explained session to the staff.
- Blackfriars Settlement Lunch Club Kitchen - Cooking lunch for members of the Positive Ageing Community
- Breast Cancer Now - Participation in a Pink Ribbon Walk to raise money and awareness.
- Waterloo Action Centre - Donating our laptops to support an aging adult literacy charity.

Diversity Awards

In 2024, we were proud to have achieved recognition for our focus and achievements in diversity in the FTAdviser Diversity in Finance Awards:

- Winner of the 'Trailblazing Company of the Year'
- Highly commended as 'Employer of the Year (small company)'

⁸¹ pensionbee.com/press/pensionbee-joins-abi-flexible-work-charter

⁸² pensionbee.com/press/abi-transparent-parental-leave-and-pay-initiative

⁸³ pensionbee.com/press/pensionbee-becomes-accredited-living-wage-employer

⁸⁴ pensionbee.com/press/pensionbee-announces-partnership-with-the-diversity-project

⁸⁵ pensionbee.com/press/pensionbee-joins-the-workforce-disclosure-initiative

Remuneration

PensionBee has an established employee Remuneration Policy providing clear and guiding principles for decisions around employee remuneration that ensures fair, competitive and appropriate pay for all. Our goal is to maintain a mix and balance of remuneration that is appropriate to attract, motivate, retain and fairly reward employees whilst balancing the needs of our business and customers. The Remuneration Policy is underpinned by the PensionBee values:

- **Simplicity:** We want to make our remuneration policy easy to understand.
- **Love:** Our approach to remuneration aims to foster inclusivity and therefore applies to the whole Company. Furthermore, we recognise the social inequalities that exist within our society and aspire to close all diversity pay gaps, including among genders and ethnicities.
- **Quality:** We recognise that performance levels may differ between employees and for any given individual at different periods of time. In addition, the time commitment, level of responsibility and formal experience (including professional qualifications) tend to increase with seniority. This variability is reflected in our compensation structure.
- **Innovation:** We aim to inspire an ownership mentality among our employees, therefore equity compensation will continue to be widely offered across the Company.
- **Honesty:** We aim to keep our policies transparent at all levels of the Company.

Components of Employee Remuneration	
Base Cash Salary	• We aim to set base cash salaries at a level that enables us to attract and retain the people that we need to thrive, whilst balancing our financial resources as a company. • The primary driver for our base cash salary levels is external benchmarking. This year we introduced an external tool that meant we could centralise our benchmarking with the People team for additional consistency.
Equity Schemes	• The purpose of granting equity is to encourage employees to think and behave like owners, and to recognise the vital contribution our team makes towards achieving our mission and vision. • Prior to becoming a listed company, PensionBee operated an EMI and non-EMI option Scheme, which will fully vest during 2025. Post-listing, we have operated the Omnibus Plan, granting long-term incentives and a deferred bonus in the form of nil-cost options.
End of Year Bonus	• The individual bonus structure contains set and discretionary elements with good performers receiving amounts, starting at 5% of salary. • We structure Company bonuses based on metrics that incentivise collective focus towards helping customers achieve good outcomes over the long term, such as Truspilot scores, app ratings, NPS and complaints ratios. • The proportion of the bonus based on Company vs. individual performance varies across all levels, with the Company proportion accounting for more at senior levels where individual performance is more directly reflected in Company performance. • The Company proportion of the bonus is deferred and paid with equity in the form of nil-cost options. The individual performance-based bonus is paid entirely in cash, except for at senior levels, where a portion is paid in equity to encourage long-term engagement with our vision, mission and values.
Pension Scheme	• Employees who meet the automatic enrolment criteria set out by the Government are automatically enrolled into the PensionBee Personal Pension, within 6 weeks of their employment start date. • PensionBee contributes an amount equivalent to 5% (which is matched by the employee) of qualifying earnings as part of monthly compensation.
Other Benefits for 2024	• Income Protection Insurance • UK HealthCare Cash Plan • Thrive Mental Wellbeing platform • SmartHealth GP online • Enjoy Benefits platform, offering a range of benefits

Learning and Development

At PensionBee we are committed to nurturing internal talent, in line with our Company values of Love and Quality. We prioritise internal hiring and career development over external hiring wherever possible. This allows us to boost engagement, increase retention and encourage high performance at all levels of the Company. We offer ongoing role specific training for our BeeKeepers and Nectar Collectors, and a 'Bee a Leader' manager development programme for all new and existing line managers.

In 2024, we introduced new personal training budgets that gave our team access either to Learnerbly, an online marketplace that offers a wide range of training and development materials from more than 250+ learning providers, or to a monetary budget, depending on level of seniority. Employees could spend their personal learning budget they wished, based on their areas of interest and preferred learning methods, such as online courses, coaching, books, other training materials or external training. Topics covered included information security, finance, leadership, product management, investment management and financial crime.

Compliance and Conduct

In addition to the above, there is a mandatory annual compliance and conduct training programme for all employees across the organisation, at all levels including at Board level. The training and general compliance test is updated annually, to reflect changes to legislation and best practice. All employees must pass each unit with a minimum score of 80% within a month of joining PensionBee and at least once annually. Our annual compliance training comprises:

- Consumer Duty
- Anti-Money Laundering
- Risk Compliance
- Fraud Prevention
- Market Abuse Regulation
- Conduct Rules for Employees
- Healthy Working
- Equality and Diversity in the Workplace
- Corporate Criminal Offences

Health and Safety

PensionBee's continued commitment to maintaining health and safety in the workplace is outlined in our Health and Safety Policy and Procedure. Everyone at work is responsible for health and safety, including employers and employees. This group effort is the key to achieving acceptable standards, reducing accidents and cases of work-related ill health.

PensionBee takes reasonable steps to:

- Provide adequate control of any health and safety risks arising from its workplace activities.
- Involve and consult where possible its employees on matters affecting their health and safety.
- Provide and maintain safe equipment.
- Provide information, instruction, and supervision for employees.
- Prevent accidents and cases of work-related illness.
- Maintain safe and healthy working conditions.
- Review and revise its Health and Safety Policy and Procedure as necessary at regular intervals.

Directors and managers share the responsibility of providing an environment that complies with our Health and Safety Policy and Procedure, and the day-to-day responsibility for putting the Health and Safety Policy and Procedure into practice is delegated to a Health and Safety Officer and an Employee Health and Safety Representative.

Risk assessments are conducted by the Office Manager annually or when the work activity or work location changes, whichever is the soonest. We review our fire safety risk assessment every six months, and after each evacuation. Any employee who is concerned about health and safety at work can raise a concern directly with our Health and Safety Officer. Any actions required to remove or control the identified risks will be implemented in a timely manner.

Since inception, we have reported zero accidents, work-related injuries and fatalities, resulting in no occupational diseases nor any lost working days. This applies to all PensionBee colleagues, including contractors.

08 Market Opportunity

We operate within the global consumer retirement market, with a focus on mass market consumers

The Global Retirement Market Opportunity

PensionBee is well positioned for global leadership in the consumer retirement market, building upon a decade of success in the UK, and having recently entered the US, the world's largest Defined Contribution ('DC') pension market. We intend to leverage our proven expertise to drive significant growth in this substantial market, bringing our customer proposition to millions of underserved Americans.

We estimate the global DC market to total approximately £27tn of assets.⁸⁶ Of this, the US leads with £22tn,⁸⁷ followed by Australia with around £1.9tn⁸⁸ and the UK with approximately £1.5tn.⁸⁹ Given our focus on the UK and US, we have an enormous opportunity to capture a significant share of the global DC retirement market, driving growth and innovation in the retirement space.

PensionBee's Position in the Growing Global DC Market: Solving Consumers' Retirement Challenges

Our business model and the strength of our customer proposition, built to address the numerous retirement challenges that consumers face, position us for success in the consumer mass market that has traditionally been underserved.

Our UK-US focus addresses approximately 85% of the global DC market. We estimate that the UK market holds around £1.5tn of DC assets, while the US market stands at £22tn.⁹⁰ Over the past decade, both countries have seen a shift from Defined Benefit to DC pensions, with global DC assets growing at an annual rate of around 7%, compared to the slower 2% growth rate of DB assets.⁹¹ In the UK and the US, DC retirement accounts offer advantages such as employers matching contributions as well as tax benefits. Regulatory changes have also focused on and supported the growth and development of the DC market. Additionally, rising consumer awareness of the challenges that can be faced by not sufficiently saving for retirement have elevated pension-consciousness, meaning more consumers are seeking greater control over their retirement than ever. These factors have all contributed to the growth of global DC assets.

The emergence of automatic enrollment and similar workplace savings initiatives has led to a rapid increase in the number of active savers in DC schemes - estimated to be approximately 16m active members in the UK⁹² and 64m in the US⁹³. Alongside this growth in the number of savers, a rise in dormant workplace accounts has emerged, with an estimated 23m in the UK⁹⁴ and 30m in the US.⁹⁵ This number is only set to increase as consumers change jobs more frequently, with UK consumers changing jobs around 11 times⁹⁶ in their lifetime and US consumers changing jobs around 12 times.⁹⁷ Additionally, people are living and working longer in an increasingly 'DC-first' environment, meaning a proliferation of retirement accounts from previous jobs being left behind, as reflected in the rise of dormant workplace accounts.

These elements, combined with the underlying shift towards DC assets, have created a vast and growing opportunity for PensionBee's customer proposition.

United Kingdom

UK Transferable DC Pensions Market

The UK DC pension landscape is vast, representing the world's third-largest retirement market. Of the approximately £1.5tn total DC assets, we estimate £1.3tn of these to be 'transferable'. This can be then further divided broadly into three segments: trust-based workplace schemes, contract-based workplace schemes and personal pensions (the latter in which PensionBee sits):

⁸⁶ Sources: ICI Releases Quarterly Retirement Market Data Third Quarter 2024. Global Pension Assets Study 2025, Willis Towers Watson. Total global pensions market estimated for 2023. PensionBee calculations of the UK DC Market based on, Master Trust League Table 2024, PPI Asset Allocation Report and historic growth levels from ONS statistics and PensionBee's market calculations in the 2023 Annual Report (Overall UK DC market of £1.5tn is aligned with the FCA's latest figure). Exchange rate of 1 USD = 0.799 GBP applied, as of 31 December 2024.

⁸⁷ Source: ICI Releases Quarterly Retirement Market Data Third Quarter 2024.

⁸⁸ Source: Global Pension Assets Study 2025, Willis Towers Watson, using DC split provided in report.

⁸⁹ Source: FCA, Advice Guidance Boundary Review, estimates a DC market of 1.5tn.

⁹⁰ US DC Market Data: ICI Releases Quarterly Retirement Market Data Third Quarter 2024. UK DC Market based on, Master Trust League Table 2024, PPI Asset Allocation Report and historic growth levels from ONS statistics and PensionBee's market calculations in the 2023 Annual Report (Overall UK DC market of £1.5tn is aligned with the FCA's latest figure). Exchange rate of 1 USD = 0.799 GBP applied, as of 31 December 2024.

⁹¹ Source: Global Pension Assets Study 2025, Willis Towers Watson. Total global pensions market estimated for 2023.

⁹² Source: Gov.UK Pensions Investment Review: Unlocking the UK pensions market for growth, (November 2024), 10m active savers in Master Trusts and around 6m active savers in workplace contract-based arrangements.

⁹³ Source: US data based on PensionBee calculations using data from 'Private Pension Plan Bulletin' September 2023, Version 1.0, United States Department of Labor.

⁹⁴ PensionBee Annual Report 2023: 22.8m UK deferred accounts.

⁹⁵ 29.5m US deferred accounts calculated from 'Private Pension Plan Bulletin' September 2023, Version 1.0, United States Department of Labor.

⁹⁶ Source: UK's Office for National Statistics ('ONS').

⁹⁷ Source: 2020 report from the US Bureau of Labor Statistics.

- **Trust-based workplace schemes:** Regulated by The Pensions Regulator ('TPR'). There is £130bn of transferable assets in trust-based workplace schemes, with £100bn in Master Trusts⁹⁸ and £30bn in other Trust Based Schemes⁹⁹ (which are typically single-employer pension schemes or bespoke trust arrangements set up by employers for their employees).
- **Contract-based workplace schemes:** Also known as group personal pensions. These are regulated by the Financial Conduct Authority ('FCA') and account for £190bn of transferable assets.¹⁰⁰
- **Personal pensions:** Also regulated by the FCA. Accounts for £940bn of assets.¹⁰¹ This includes PensionBee's UK assets.

In addition to a changing pension landscape in the UK, regulatory reform has been supportive of a growing consolidation market. The UK government's recent 'Pensions Investment Review interim report' published in November 2024¹⁰² proposed changes to the UK pension market, including further consolidation of employer schemes and shifting the focus from 'cost' to 'value'. The consolidation of smaller, poorer performing pension schemes into larger, better organised schemes is likely to benefit PensionBee's growth, as such changes may lead to greater operational efficiencies in the transfer process across a small number of providers.

As the disruptor in the market, we continue to differentiate ourselves with our customer-focus and the strength of our proposition. We also understand the critical role that consumer education plays in driving successful pension consolidation, and take a proactive approach to supporting our customers with educational content delivered in a multitude of formats which has proven effective in building consumer confidence and empowering individuals to make informed decisions about their retirement savings.

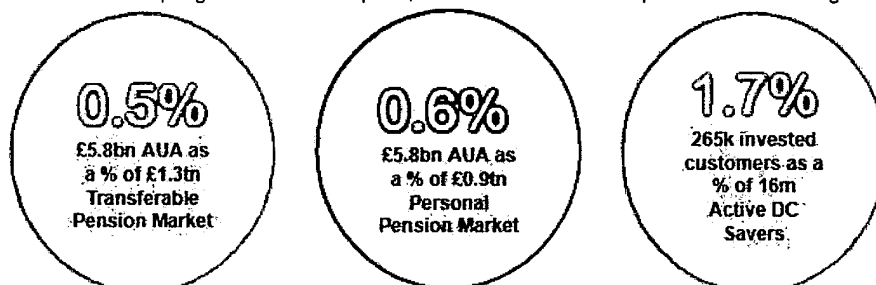
Our decade-long commitment to developing a product that meets and evolves with consumer needs, along with our dedication to supporting individuals throughout their entire retirement journey, positions us as a leading online player in this evolving market. We will continue to grow in our home market, advancing our market share within the significant and growing UK DC pensions market.

PensionBee's UK Market Share

Depending on the definition of the market size, there are a number of ways to calibrate PensionBee's market share in the UK which we consider important benchmarks, including the following:

- PensionBee's £5.8bn Assets under Administration ('AUA') for 2024 represented c.0.5% of the £1.3tn Transferable Pension Market.
- PensionBee's £5.8bn AUA represented approximately 0.6% of the £0.9tn Personal Pensions Market (non-workplace pensions).
- PensionBee's 265k Invested Customers ('IC') accounted for approximately 1.7% of 16m active DC savers.

The market share statistics all highlight that given the vast size of the UK pensions market, with widespread pension membership across the country, despite PensionBee's rapid growth since inception, there is still substantial potential for further growth.



Pension Consolidation Trends and Consumer Sentiment

Engagement with pensions still remains considerably low in the UK, however with the cost of living at the forefront of consumer's minds, and rising pension-consciousness with retirement becoming a topic of national importance, people are thinking about their pensions and retirement considerably more.

A retirement survey¹⁰³ found that across all generations consumers were worried about their retirement and that uncertainty was felt across all age groups. This survey also found that the majority of consumers desired a simple tool to help them plan for their future with 75% of those surveyed agreeing that they would value help in calculating the income they would need at retirement, 70% saying that it was difficult to know how their retirement pot will translate into monthly income, 65% saying that the thought of having to generate their retirement income worried them, and 60% saying that they worried about outliving their retirement. The survey demonstrates a growing awareness of the need for consumers to be able to financially sustain themselves through retirement.

⁹⁸ Source: Master Trust League table 2024.

⁹⁹ PensionBee calculations applying % deferred market split from Master Trust report (2024 Master Trust Default Report) and applying the 25% split of total Trust Based Work schemes from Department for work and pensions Trends in the Defined - Contribution trust-based pensions market, November 2023.

¹⁰⁰ Source: PensionBee calculation applying the 60% deferred asset split on the £310bn assets that the PPI report estimates

¹⁰¹ Source: FCA Portfolio letter: FCA's expectations for SIPP Operators, November 2024.

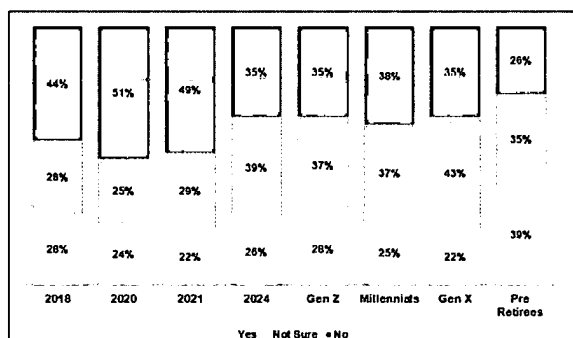
¹⁰² gov.uk/government/publications/pensions-investment-review-interim-report

¹⁰³ Source: BlackRock UK, Retirement 2024 Key Themes.

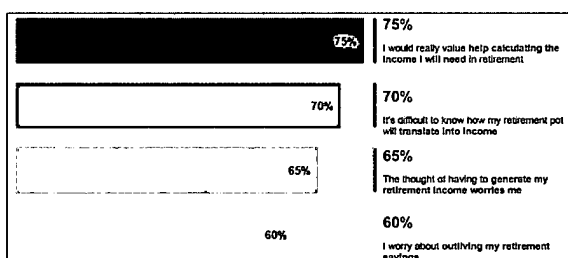
As national pension-consciousness begins to grow, so too does consolidation activity, driven by the desire to have pensions all in one place. Recent research from Boring Money suggests that 1.9m consumers want to consolidate their pensions in the coming year,¹⁰⁴ further underlining the consumer need and enormous market opportunity for PensionBee.

PensionBee is able to offer a comprehensive solution to support the retirement journey through a customer's lifecycle - including across consolidation, contributions and withdrawals, supported by tools and content that enable customers to build pension confidence and achieve better retirement outcomes.

Do you think you are on track to have a reasonable standard of living at retirement?¹⁰⁵



>60% of people worry about their retirement¹⁰⁶



United States

US Defined Contribution Retirement Market

The US DC market is the world's largest retirement market, with £22tn¹⁰⁷ in assets. The growing issue of dormant accounts has contributed to a balance of £12tn¹⁰⁸ in transferable assets, creating a substantial consumer base in need of a simple and streamlined retirement solution. Despite its enormous size, this market remains vastly underserved, with dynamics similar to the UK.

Substantial workplace savings enrollment and high job mobility have exacerbated the dormant account issue. The proportion of dormant workplace DC accounts has increased from 22% of all accounts in the 2000s to 32% in 2023,¹⁰⁹ further emphasising the need for accessible retirement solutions.

Individual Retirement Account ('IRA') penetration is low, with only a third of households holding traditional IRAs. These accounts are primarily concentrated among the older, wealthier households with the current US retirement landscape tailored more toward affluent consumers rather than the mass market consumers.

In addition to the growing DC workplace assets in the US, regulatory changes and advancements such as auto enrollment have further boosted participation in the DC market. The SECURE 2.0 Act of 2022 which focused on expanding coverage and increasing retirement savings in the US, is a key driver of these improvements, with several provisions set to take effect in 2025, including:

- **Automatic Enrollment Requirement:** Employers will be required to automatically enroll employees in 401(k) and 403(b) plans, with a default contribution rate of at least 3%.
- **Higher Catch-Up Contribution Limits:** Workers aged 60-63 will be allowed to contribute an additional \$10,000 to their 401(k) or 403(b) plans, significantly increasing retirement savings opportunities for those closer to retirement.

¹⁰⁴ Source: Boringmoney, 1.9m UK adults consider consolidating their pension over the next 12 months, October 2023.

¹⁰⁵ Source: BlackRock UK, Retirement 2024 Key Themes.

¹⁰⁶ Source: BlackRock UK, Retirement 2024 Key Themes.

¹⁰⁷ Source: ICI Releases Quarterly Retirement Market Data First Quarter 2024. Exchange rate of 1 USD = 0.799 GBP applied, as of 31 December 2024.

¹⁰⁸ US Transferable assets calculations based on data from 'Private Pension Plan Bulletin' September 2023, Version 1.0, United States Department of Labor, ICI Releases Quarterly Retirement Market Data First Quarter 2024 and other ICI data. Exchange rate of 1 USD = 0.799 GBP applied, as of 31 December 2024.

¹⁰⁹ PensionBee calculations based on United States Department of Labor, Private Pension Plan Bulletins.

- **Emergency Savings Accounts:** Employers will be able to offer emergency savings accounts within retirement plans, allowing employees to contribute up to \$2,500 annually on a Roth basis, accessible for emergencies without penalties or taxes.

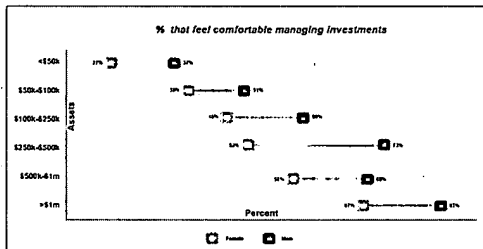
These changes are designed to improve access to retirement savings and boost savings rates, further enhancing engagement in the retirement market across the US. This growing emphasis on accessible retirement solutions underlines the increasing need for simple, and accessible customer propositions like that which we offer.

Pension Consolidation Trends and Consumer Sentiment

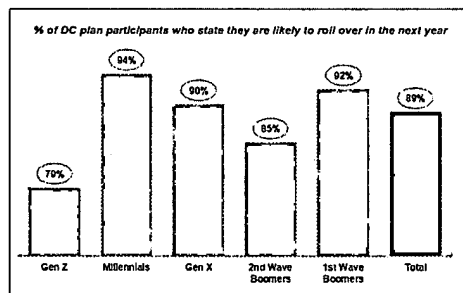
Similar to the UK, across the US consumers are actively looking for ways to manage retirement savings easily. Across all generations the desire to consolidate retirement accounts is high, with frequent job switching and approaching retirement being significant drivers. A study from the Board of Governors of the Federal Reserve system showed that those with less assets feel significantly less comfortable managing investments.¹¹⁰ It is clear that the US consumers are also motivated by control and convenience seeking an easy way to rollover and consolidate their old workplace saving accounts. Six out of 10 wish they could push an 'easy button' and completely hand over retirement planning and investing to a professional.¹¹¹ This, coupled with high intent across all generations to rollover¹¹² and wavering confidence around being financially prepared for retirement,¹¹³ underscores the opportunity for PensionBee to serve these consumers.

Our US research indicates that our likeable and approachable brand, our straightforward product offering, our scalable technology platform, high priority customer service and curated investment solutions would appeal to the US consumer, enabling us to extend the key elements of our approach to retirement savings to millions of underserved Americans. Recognising the parallels in consumer challenges and sentiments between the US and UK markets, and leveraging the success of our UK customer proposition, which has engaged well over a quarter of a million customers, we are confident in our ability to replicate this success in the US. Our robust technology platform, coupled with a personalised approach, will enable us to effectively serve the mass market in the US.

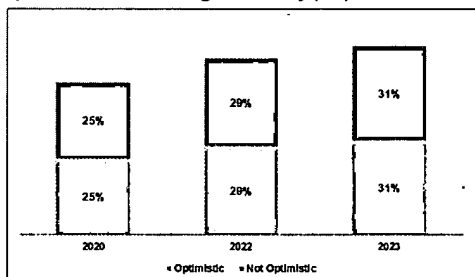
Those with less assets feel less comfortable managing investments¹¹⁴



Across all generations intent to roll over is high¹¹⁵



Optimism around being financially prepared for retirement¹¹⁶



¹¹⁰ Source: Economic Well-Being of U.S. Households in 2023, Board Of Governors Of The Federal Reserve System.

¹¹¹ Source: 2024 Defined Contribution Plan Participant Survey Findings, JP Morgan.

¹¹² Source: Nearly 9 in 10 Participants Intend to Roll Over Former Plan Assets in 2024, Morningstar.

¹¹³ Source: SSGA DC Participant Retirement Study Quantitative Survey - 2023.

¹¹⁴ Source: Economic Well-Being of U.S. Households in 2023, Board Of Governors Of The Federal Reserve System.

¹¹⁵ Source: Nearly 9 in 10 Participants Intend to Roll Over Former Plan Assets in 2024, Morningstar.

¹¹⁶ Source: SSGA DC Participant Retirement Study Quantitative Survey - 2023.

09 Operating and Financial Review¹¹⁷

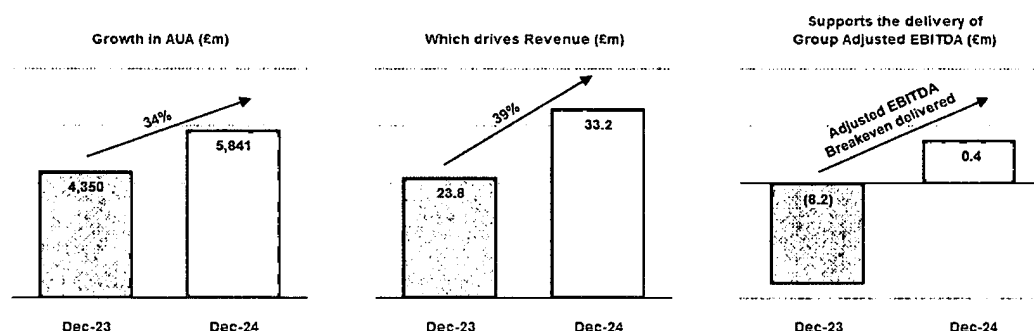
Successful execution of our strategy, together with strong growth and business scalability, resulted in the delivery of a key milestone this year: Adjusted EBITDA breakeven for the Group, supported by Adjusted EBITDA profitability in the UK

PensionBee is a predictable and scalable business, evident in the compounding nature of our Assets under Administration ('AUA'), predictable and recurring Revenue, and Adjusted EBITDA Margin improvement achieved through our scalable cost base¹¹⁸.

Trading in 2024 was strong and in line with guidance, with significant growth achieved across our key performance indicators ('KPIs'), leading to the achievement of one of our long standing core financial objectives: Adjusted EBITDA profitability in our UK business for the full year. In addition to this, whilst making a significant investment in our new US business, we achieved Adjusted EBITDA breakeven at a Group level. This important profitability milestone was delivered through growth in new Invested Customers, strong net inflows from both new and existing customers, the scalability of our technology platform, and our unwavering focus on cost discipline.

We are proud to have achieved another year of strong growth, with AUA reaching £5.8bn, an increase of 34% from £4.4bn in 2023. This growth highlights the success of our strategic focus in 2024 on acquiring customers with higher account balances while still expanding our overall customer base. As a result, the number of Invested Customers ('IC') grew by 16% to 265,000 (2023: 229,000). Moreover, this success was amplified by a supportive market environment.

This transformative year reflects a decade of consistent progress, combining strong Revenue growth with business scalability, resulting in the delivery of our Adjusted EBITDA profitability milestone for our UK business for the full year. Revenue for 2024 increased by 39% to £33.2m (2023: £23.8m), driven by robust Net Flows of £876m (2023: £857m). This Revenue growth was delivered whilst holding the cost base¹¹⁹ flat in the UK at £32.0m (2023: £32.0m), enabling the Group to reach Adjusted EBITDA breakeven of £0.4m (2023: £(8.2)m). Profit/(Loss) before Taxation for 2024 narrowed to £(3.1)m (2023: £(10.7)m). These accomplishments position us well for continued success and growth as we deliver on our mission to build pension confidence and to make retirement simple and accessible for everyone.



Driving Customer Growth through Investment in Brand Awareness and Data-Driven Acquisition

	As at Year End		
	Dec-2024	Dec-2023	YoY
Advertising and Marketing Expenses (£m)	(9.9)	(9.7)	2%
Of which UK Advertising and Marketing Expenses (£m)	(9.1)	(9.7)	(6)%
Of which US Advertising and Marketing Expenses (£m)	(0.8)	nil	n/a
Other Income: Marketing Reimbursement (£m)¹²⁰	0.8	nil	n/a
Net Advertising and Marketing Expense (£m)	(9.1)	(9.7)	(6)%
Cost per Invested Customer (£)¹²¹	242	241	Within threshold
Invested Customers (thousands)	265	229	16%

¹¹⁷ See page 45 of the Measuring our Performance section of the Strategic Report.

¹¹⁸ Cost base is defined as Operating Costs less Share-based Payments, Depreciation and Amortisation Expense and Expansion Costs.

¹¹⁹ Cost base is defined as Operating Costs less Share-based Payments, Depreciation and Amortisation Expense and Expansion Costs.

¹²⁰ Other Income refers to reimbursements from State Street for US Advertising and Marketing Expenses.

¹²¹ Cost per Invested Customer ('CPIC') means the cumulative UK Advertising and Marketing Expenses incurred since PensionBee commenced trading up until the relevant point in time divided by the cumulative number of UK Invested Customers at that point in time. This measure monitors cost discipline of customer acquisition. PensionBee's desired UK CPIC threshold is £200-£250. At present, this metric relates only to the UK business. Due to the early stage of the US business, CPIC is not yet indicative of its long-term potential.

PensionBee has an efficient marketing growth strategy that leverages our strong brand and utilises a data-driven customer acquisition approach. In 2024, we drove a strong return on our marketing investment in the UK, while making a longer-term investment in the US to build a solid foundation for expansion in 2025 and beyond.

In the UK, we continued to optimise the power of our in-house Data Platform to drive impactful, data-led marketing strategies that delivered efficient customer acquisition while optimising spend. The Data Platform's capabilities have been instrumental in guiding our multi-channel approach, enhancing our ability to allocate resources effectively. We have scaled cost-efficient channels, including social media platforms. Educational initiatives deployed through our successful 'Pension Confident Podcast' in the UK, YouTube shorts and Tik Tok clips have helped us to reach millions of consumers. Our Data Platform's sophisticated analytics, combined with a rich data repository encompassing a decade of pension trends and customer behavior, enables us to optimise our customer acquisition strategies and deliver strong returns. In the UK, Cost per Invested Customer ('CPIC') remained steady at £242 (2023: £241), and we achieved a corresponding 2% year-on-year increase in Net Flows despite a 6% reduction in UK marketing expenditure, highlighting the efficiency of our marketing spend and the impact of our historical cumulative investment of £64m in the UK.

In addition to our data-driven acquisition capabilities, we have continued to invest in our brand-building efforts, underpinned by the success of high-impact brand partnerships and other activities, such as press and customer advocacy, TV and radio. These initiatives have collectively supported making PensionBee a household name in the UK, with brand awareness reaching 57% (2023: 50%).¹²²

On 18 July 2024, PensionBee announced the launch of its US business, entering into a strategic partnership with its long-standing money manager provider and trusted partner, State Street Global Advisors ('State Street'). Our approach in the US has been to make long-term investments to effectively translate and adapt the product and brand, ensuring a successful introduction and adaptation to the US market. With 70% of our marketing channels operating internationally and our deep in-house expertise, we are well-positioned to launch successful marketing campaigns in the US and reach millions of prospective customers. We have focused our early efforts in the US on establishing channels such as organic and paid search, organic and paid social, PR and brand advertising, with the calibration of these channels underway. Channels are demonstrating a positive early consumer response. Marketing support for the US business in 2024 was a total of £0.8m (2023: £nil). This entire amount was fully reimbursed by our partner, State Street. They will continue to provide meaningful marketing support to PensionBee as it uses its data-led, multi-channel customer acquisition approach to attract new customers. Under the terms of the agreement with State Street, the annual amount of the marketing support is variable, based on the achievement of certain net new asset thresholds. For example, in 2025 the marketing spend is expected to be approximately \$5m. Marketing support is expected to continue for 5-7 years.

By employing a strong, data-driven approach and our reputable brand, we have successfully expanded our Invested Customer base by 16% to 265,000 by the end of the year (2023: 229,000), whilst applying cost discipline to marketing expenditure. Across the Group, the Net Advertising and Marketing Expense totalled £9.1m (2023: £9.7m), which excluded the £0.8m that was reimbursed through our US partnership with State Street. This efficiency is key to our strategy of delivering sustainable growth. As we continue to scale, we are well-positioned to replicate our success in the US market, driving growth and further strengthening the PensionBee brand globally.

Strong Asset Growth Momentum driven by High Retention Rates and Cost Disciplined Acquisition

	As at Year End		
	Dec-2024	Dec-2023	YoY
Customer Retention Rate (% of IC)¹²³	96%	96%	Stable at >95%
AUA Retention Rate (% of AUA)¹²⁴	96%	96%	Stable at >95%
Opening AUA (£m)	4,350	3,025	44%
Gross Inflows (£m)	1,334	1,174	14%
Gross Outflows (£m)	(459)	(318)	45%
Net Flows (£m)¹²⁵	876	857	2%
Market Growth/(Contraction) and Other (£m)	615	468	n/m
Closing AUA (£m)	5,841	4,350	34%
Net Flows (£m)	876	857	2%
Of which Net Flows from New Customers (£m)	709	729	(3)%
Of which Net Flows from Existing Customers (£m)	167	127	31%

PensionBee is a business with a high degree of predictability (assuming stable capital markets) owing to our efficient customer acquisition approach, and consistently high Customer Retention Rate and AUA Retention Rate, which support our growing AUA base.

In 2024, we achieved 34% year-on-year growth in our AUA base, increasing it to £5.8bn (2023: £4.4bn), marking another strong year of growth. Our success was driven by strong customer acquisition efforts, supported by our data-led marketing approach and a

¹²² PensionBee prompted brand awareness tracker, January 2025. Prompted brand awareness measured through a consumer survey asking 'Which of the following have you heard of?' with respect to UK financial services brands: Aviva 85%, Scottish Widows 75% Standard Life 68%, PensionBee 57%, Hargreaves Lansdown 50%, Vanguard 44%, AJ Bell 43%, Nutmeg 40%, Interactive Investor 18%.

¹²³ See page 45 of the Measuring our Performance section of the Strategic Report.

¹²⁴ See page 45 of the Measuring our Performance section of the Strategic Report.

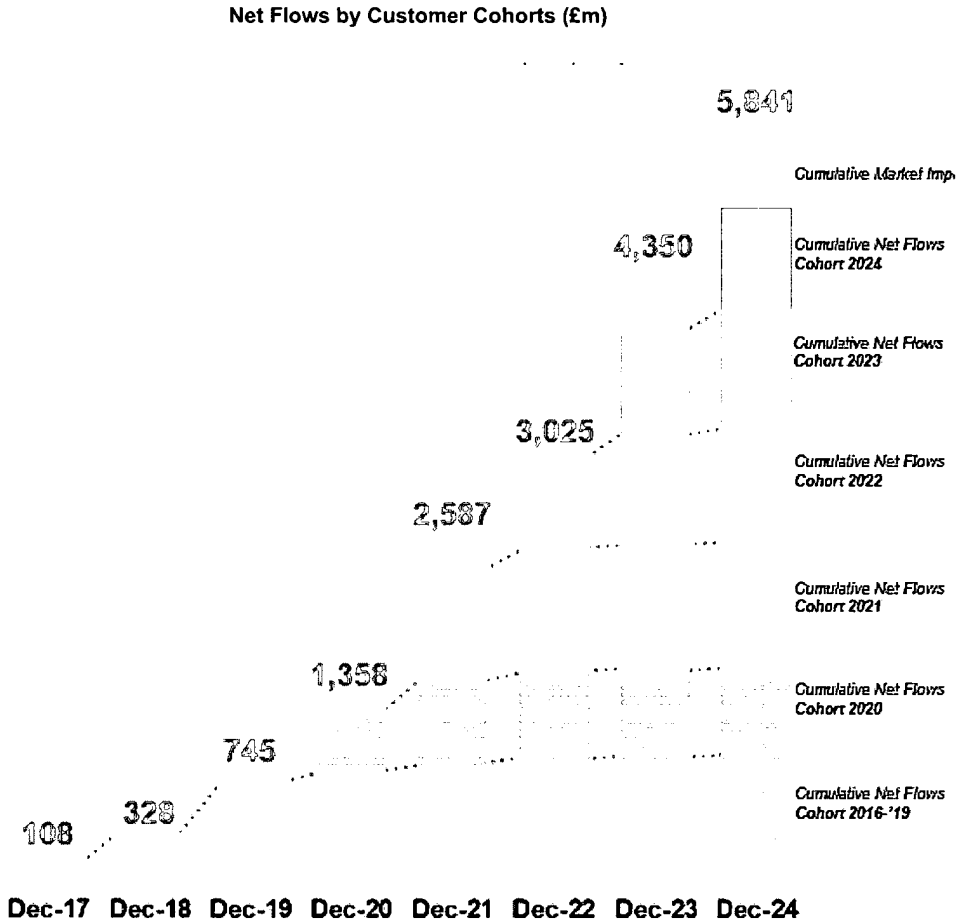
¹²⁵ See page 45 of the Measuring our Performance section of the Strategic Report.

commitment to becoming the pension provider of choice for our customers. Our product continues to empower customers with innovative tools, features and content that build trust and help them feel more 'Pension Confident' as they plan for retirement.

During the year, we acquired 36,000 Invested Customers (2023: 46,000), generating £709m in Net Flows from New Customers (2023: £729m). Our strategic focus on profitability meant a focus on acquiring customers with higher account balances, thereby generating a higher return on our marketing investment. This strategy has proven successful, as customers came onto our platform with higher pension balances, translating into the Net Flows from New Customers increasing from an average of £16,000 per customer in 2023 to £20,000 in 2024. These results, within our UK business, were delivered owing to our robust brand awareness and the enhanced capabilities of our in-house Data Platform, enabling us to focus on customers with higher account balances. This strategy was successfully executed against a reduced marketing expenditure (6% lower in 2024 than in the previous year), demonstrating our focus on sustainable, cost-effective growth.

Our existing customers have continued to place their trust in us by selecting PensionBee as their primary pension provider, as they transferred more pensions and made regular contributions into their retirement savings accounts. Growth from existing customers accounted for £167m of AUA in 2024 (2023: £127m). Our commitment to ongoing product development, which plays a key role in customer engagement, and the continuous adaptation of our technology platform to cater for individual customer requirements, have significantly contributed to this growth. Our app is designed to simplify pension management, providing a comprehensive content experience that guides customers in making informed decisions about their retirement planning, such as determining optimal contribution amounts. We provide customers with a tailored journey across multiple channels, including email, push notifications, in-app messages and SMS. This multi-channel approach effectively stimulates contributions and consolidation behaviour, making it easier for customers to add to their balances and remain satisfied with an engaging service. This translates to higher retention rates and higher customer satisfaction. Since inception, we have consistently maintained high Customer Retention and AUA Retention Rates of over 95%, a trend that has remained throughout 2024.

As is customary in the industry, the majority of our customers' retirement savings are invested in global equity capital markets, meaning AUA movements are linked to market performance. Given that global equity markets prospered this year, we saw positive Market Growth contribute £615m to the overall AUA growth (2023: £468m), further supporting our strong performance.



Resilient Revenue Margin drove an Overwhelming Majority of Recurring Revenue

	As at Year End		
	Dec-2024	Dec-2023	YoY
Revenue Margin (% of AUA) ¹²⁶	0.64%	0.64%	+0bp
Revenue (£m)	33.2	23.8	39%

PensionBee maintains high quality Revenue owing to our resilient Revenue Margin that converts compounding AUA into predictable and recurring Revenue.

Since the vast majority of our Revenue is derived from annual management fees charged as a percentage of AUA, the high retention of Invested Customers and AUA makes the overwhelming majority of our Revenue recurring and predictable in nature. Revenue is also inclusive of revenue generated from other activities, including our partnership in the UK with intermediaries such as Lifesearch, as well as ad-hoc income, although this currently represents an immaterial portion of our overall Revenue.

In 2024, we delivered 34% year-on-year growth in AUA (2023: 44%). This translated into 39% year-on-year growth in Revenue, which reached £33.2m (2023: £23.8m), underpinned by our resilient Revenue Margin (the annual management fee charged to our customers after discounts) of 0.64% (2023: 0.64%).

Efficient Investment in our Industry Leading Technology Platform, People and Product

	As at Year End		
	Dec-2024	Dec-2023	YoY
Money Manager Costs (£m)	(4.3)	(3.2)	33%
Employee Benefits Expense (excluding Share-based Payments) (£m)	(12.6)	(12.3)	3%
Other Operating Expenses (£m)	(6.7)	(6.8)	(1)%
Technology Platform Costs & Other Operating Expenses (£m)	(19.3)	(19.1)	1%

PensionBee is a highly scalable business as demonstrated by its increasingly improving Adjusted EBITDA Margin profile.¹²⁷

Our Money Managers

Money Manager Costs increased to £(4.3)m in 2024 (2023: £(3.2)m), demonstrating a lower rate of change than the increase in Revenue, due to the maintenance of competitive institutional rates on our investment solutions.

Our People

We continued to invest in automation and therefore our workforce remained relatively stable with approximately 204 employees in 2024 (2023: 206)¹²⁸, while the associated Employee Benefits Expense increased to £(12.6)m for 2024 (2023: £(12.3)m). This reflects our commitment to advancing the capabilities of our team and supporting employees during a high-inflation environment, while streamlining people costs through our technology platform's scalability and efficiency.

In the UK, we focused on refining specialised roles within customer service and other key areas, such as marketing and technology. By leveraging automation and integrated systems, our customer service team maintained high levels of efficiency while continuing to deliver exceptional support as evidenced by our rapid response rates and an 'Excellent' Trustpilot score¹²⁹. People development in the Technology team has further driven innovation, reinforcing the scalability of our platform and strengthening our ability to meet evolving customer needs.

In the US, we operated with a small but focused team in 2024. Our hiring approach prioritised operational roles to support the launch and growth in this new market, while drawing on our UK Technology team and other global resources to ensure alignment and efficiency. This strategy allowed us to remain flexible while leveraging the expertise of our established teams to accelerate development and adapt the product to the US market.

Overall, this streamlined and balanced approach to staffing has enabled us to scale our operations effectively while supporting employees across both markets. By combining automation with targeted hiring and fostering a collaborative global team, we continue to make retirement simple and accessible for everyone.

Our Scalable Technology Platform

In 2024, we continued to strengthen and grow our technology platform, building on ten years of experience in solving the challenges of combining retirement savings. Our technology platform's advanced features, such as custom connections with pension providers and a deep understanding of transfer processes, gives us a strong and scalable foundation.

In the US, this has included tailoring product features to support rollovers from 401(k)s, broadening our terminology and adapting our visual brand identity to resonate with our US consumer market. This has allowed PensionBee to improve cost efficiency and scalability, as highlighted by the achievement of a year-on-year decrease in Technology Platform Costs & Other Operating Expenses as a

¹²⁶ See page 45 of the Measuring our Performance section of the Strategic Report.

¹²⁷ See page 45 of the Measuring our Performance section of the Strategic Report.

¹²⁸ As of 31 December 2024. The total workforce of 204 includes 191 UK employees, 6 overseas contractors and 7 US employees.

¹²⁹ See pages 15 to 21 of the Our Strategy section of the Strategic Report.

percentage of Revenue from (80)% in 2023 to (58)% in 2024. This improvement was primarily driven by Revenue growth, while maintaining a stable cost base¹³⁰ at £32.8m (2023: £32.0m) and Other Operating Expenses decreasing to £(6.7)m (2023: £(6.8)m).

Continuing on this trajectory of improving cost efficiency is central to driving long-term operating leverage. One of the ways we measure productivity is through the Invested Customers per Staff Member metric, which saw an improvement of 20% year-on-year, from 1,112 in 2023 to 1,333 in 2024. Our ongoing focus on automation, integration and data security has not only helped us lower costs, but has set the stage for long-term growth. These efforts played a key role in achieving Adjusted EBITDA profitability for the Group in 2024, placing us in a strong position for success in 2025 and beyond.

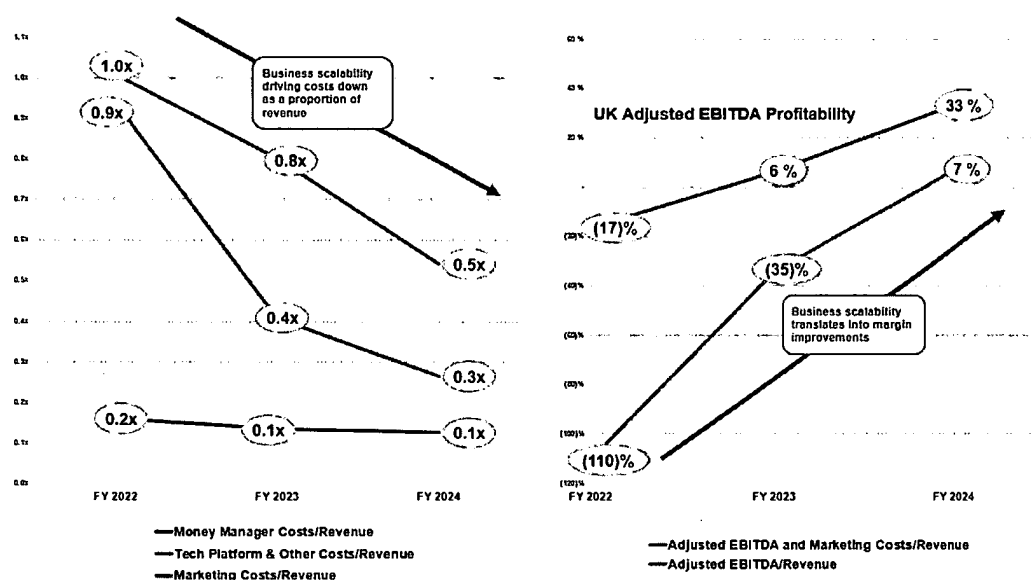
Profitability Metrics

	As at Year End		
	Dec-2024	Dec-2023	YoY
UK Adjusted EBITDA (£m)¹³¹	2.4	(8.2)	n/m
UK Adjusted EBITDA Margin (% of UK Revenue)	7%	(35)%	+42ppt
US Adjusted EBITDA (£m)¹³²	(1.9)	nil	n/a
US Adjusted EBITDA Margin (% of US Revenue)	n/a	n/a	n/a
Adjusted EBITDA (£m)	0.4	(8.2)	n/m
Adjusted EBITDA Margin (% of Revenue)	1%	(35)%	+36ppt
Profit/(Loss) before Tax (£m)	(3.1)	(10.7)	71%

In 2024, consistent with our IPO public market guidance, we achieved Adjusted EBITDA profitability in the UK, a significant milestone for the business. We also reached Adjusted EBITDA breakeven at a Group level for the full year, in line with the Guidance Framework introduced at our Capital Markets Day in October 2024. This transformative year was driven by effective deployment of our discretionary marketing budget, continued cost discipline, and operating leverage from our scalable technology platform.

United Kingdom

For the UK business¹³³ we achieved our long standing objective of full year profitability, by delivering Adjusted EBITDA of £2.4m¹³⁴ (2023: £(8.2)m). The results highlight the inherent resilience and scalability of our business model, together with the ability of our team to continue to execute successfully on our strategy. The well-established efficient customer acquisition approach, our brand awareness across the UK market, together with efficiencies gained through automation and targeted investment have contributed to this success.



¹³⁰ Cost base is defined as Operating Costs less Share-based Payments, Depreciation and Amortisation Expense and Expansion Costs.

¹³¹ UK Adjusted EBITDA includes Other Income of £1.2m arising from inter-company transactions with PensionBee US. All inter-company transactions are calculated on an arm's length basis.**

¹³² US Adjusted EBITDA includes Technology Platform Costs & Other Operating Expenses of £1.2m arising from inter-company transactions with PensionBee UK. All inter-company transactions are calculated on an arm's length basis.**

¹³³ PensionBee UK consists of PensionBee Limited and PensionBee Group plc parent company costs.

¹³⁴ See page 45 of the Measuring our Performance section of the Strategic Report.

United States

The US business¹³⁵ is currently in its investment phase, building out capabilities to capitalise on the US market opportunity. The US reported Adjusted EBITDA of £(1.9)m¹³⁶ (2023: £nil). The results demonstrate disciplined financial management, leveraging the expertise and scalable technology developed in the UK.

Group

On a consolidated basis, the Group achieved Adjusted EBITDA of £0.4m (2023: £(8.2)m), marking a pivotal achievement in our journey. The 2024 full year Adjusted EBITDA Margin improved from (35)% in 2023 to 1% in 2024. Adjusted EBITDA captures Advertising and Marketing Expenses but excludes the Share-based Payments and Expansion Costs.

This milestone underscores the strength of our financial model, driven by a scalable technology platform and disciplined cost management. As we continue to grow and expand, our focus remains on delivering profitability while advancing our mission to help build pension confidence and make retirement simple and accessible for everyone.

	As at Year End		
	Dec-2024	Dec-2023	YoY
Adjusted EBITDA (£m)	0.4	(8.2)	n/m
Depreciation and Amortisation Expense (£m)	(0.3)	(0.3)	n/m
Share-based Payments (£m)	(3.2)	(2.2)	44%
Expansion Costs (£m)	(0.2)	-	100%
Profit/(Loss) before Tax (£m)	(3.1)	(10.7)	71%
Taxation (£m)	nil	0.1	n/m
Basic Earnings per Share	(1.38)p	(4.73)p	71%

Depreciation and Amortisation Expense remained flat year-on-year at £(0.3)m (2023: £(0.3)m).

Share-based Payments increased during the period to £(3.2)m (2023: £(2.2)m).

Expansion Costs related solely to PensionBee's entry into the US market, totalling £(0.2)m (2023: £nil).

Profit/(Loss) before Tax narrowed to £(3.1)m for 2024 from £(10.7)m in 2023, reflecting our progress and showcasing the operating leverage in our model as we continue to grow.

Taxation included enhanced tax credits in relation to routine Research and Development refunds. No deferred tax asset was recognised with respect to the carried forward losses.

Basic Earnings per Share ('EPS') was (1.38)p for 2024 (2023: (4.73)p).

Financial Position

The Group's balance sheet remains strong. As of 31 December 2024, following the Company's capital raise, the balance of Cash and Cash Equivalents was £35.0m (2023: £12.2m) and the Group had no borrowings.

In October 2024, PensionBee conducted a non-pre-emptive cash placing to raise approximately £20m of primary capital from new and existing institutional investors, by issuing new ordinary shares. The funds will be used to accelerate the Company's growth in the US market: enhancing marketing efforts, developing adapted product features and exploring employer opportunities for account transfers. PensionBee Group plc issued 10,810,811 new ordinary shares representing approximately 4.8% of its current share capital, at a price of 185 pence per share.

Regulatory Capital and Financial Resources

PensionBee Limited, a subsidiary of the Company, is authorised and regulated by the Financial Conduct Authority ('FCA') and therefore adheres to capital requirements set by the FCA. As of December 2024, the capital resources stood at £14.2m (unaudited) as compared to a capital resource requirement of £1.8m (unaudited), resulting in coverage of 7.9x. We have maintained a healthy surplus over our regulatory capital requirement throughout the year and continue to manage our financial resources prudently.

PensionBee Inc. is registered with the U.S. Securities and Exchange Commission ('SEC') and is not subject to any capital resource requirements.

¹³⁵ PensionBee US consists of PensionBee Inc.

¹³⁶ See page 45 of the Measuring our Performance section of the Strategic Report.

Summary Financial Highlights*

	As at Year End		
	Dec-2024	Dec-2023	YoY
Revenue (£m)	33.2	23.8	39%
Money Manager Costs (£m) ¹³⁷	(4.3)	(3.2)	33%
Technology Platform Costs & Other Operating Expenses (£m) ¹³⁸	(19.3)	(19.1)	1%
Net Advertising and Marketing Expense (£m)	(9.1)	(9.7)	(6)%
Adjusted EBITDA (£m)**	0.4	(8.2)	n/m
Adjusted EBITDA Margin (% of Revenue)	1%	(35)%	+36 ppt
Depreciation and Amortisation Expense (£m)	(0.3)	(0.3)	n/m
Share-based Payments (£m)	(3.2)	(2.2)	44%
Expansion Cost (£m)	(0.2)	-	100%
Profit/(Loss) before Tax (£m)	(3.1)	(10.7)	71%
Basic Earnings per Share	(1.38)p	(4.73)p	71%

* See definitions on page 45 of the Measuring our Performance section of the Strategic Report.

** PensionBee's Key Performance Indicators include an alternative performance measure ('APM'), which is Adjusted EBITDA. APMs are not defined by International Financial Reporting Standards ('IFRS') and should be considered together with the Group's IFRS measurements of performance. PensionBee believes this APM assists in providing additional insight into the underlying performance of PensionBee and aids comparability of information between reporting periods. A reconciliation to the nearest IFRS number is provided in Note 28 of the Financial Statements 'Alternative Performance Measure' on pages 162 and 163.

¹³⁷ Money Manager Costs are variable costs paid to PensionBee's money managers.

¹³⁸ Technology Platform Costs & Other Operating Expenses comprises Employee Benefits Expense (excluding Share-based Payments) and Other Operating Expenses.

10 Measuring our Performance

When considering the overall performance of PensionBee, we use a range of key performance indicators ('KPI's) to monitor and assess our progress against our strategy.

Financial Performance Measures

Revenue	2024: £33.2m 2023: £23.8m	39%	Revenue means the income generated from the asset base of PensionBee's customers, essentially annual management fees charged on the AUA, together with a minor revenue contribution from other services.
Adjusted EBITDA*	2024: £0.4m 2023: £(8.2)m	n/m	Adjusted EBITDA is the Operating Profit/(Loss) for the year before Taxation, Finance Costs, Finance Income, Depreciation and Amortisation Expense, Share-based Payments and Expansion Costs. This measure is a proxy for operating cash flow.
Adjusted EBITDA Margin	2024: 1% 2023: (35)%	+36 ppt ¹³⁹	Adjusted EBITDA Margin means Adjusted EBITDA as a percentage of Revenue for the relevant year.
Profit/(Loss) before Tax ('PBT')	2024: £(3.1)m 2023: £(10.7)m	71%	Profit/(Loss) before Tax is a measure that looks at PensionBee's profit or losses for the year before it has paid corporate income tax.
Basic Earnings per Share ('EPS')	2024: (1.38)p 2023: (4.73)p	71%	Basic Earnings per Share is calculated by dividing the profit or loss attributable to ordinary equity holders of the Group by the weighted average number of ordinary shares in issue during the period.
Net Cash Flow	2024: £22.8m 2023: £(9.1)m	n/m	Net Cash Flow is the sum of cash generated by operations, investments and financing activities, less cash used in operations, investments and financing activities.

* PensionBee's Key Performance Indicators include an alternative performance measure ('APM'), which is Adjusted EBITDA. APMs are not defined by International Financial Reporting Standards ('IFRS') and should be considered together with the Group's IFRS measurements of performance. PensionBee believes this APM assists in providing additional insight into the underlying performance of PensionBee and aids comparability of information between reporting periods. A reconciliation to the nearest IFRS number is provided in Note 28 of the Financial Statements 'Alternative Performance Measures' on pages 162 and 163.

Non-Financial Performance Measures

Assets under Administration ('AUA')	2024: £5.8bn 2023: £4.4bn	34%	Assets under Administration is the total invested value of pension assets within PensionBee's Invested Customers' pensions. It measures the new inflows less the outflows and records a change in the market value of the assets. This KPI has been selected because AUA is a measurement of the growth of the business and is the primary driver of Revenue.
AUA Retention Rate (% of AUA)	2024: 96% 2023: 96%	Stable at >95%	AUA Retention measures the percentage of retained PensionBee AUA from transfers out over the average of the year. High AUA retention provides more certainty of future Revenue. This measure can also be used to monitor customer satisfaction.
Net Flows	2024: £876m 2023: £857m	2%	Net Flows measures the cumulative inflow of PensionBee AUA from consolidation and contribution ('Gross Inflows'), less the outflows from withdrawals and transfers out ('Gross Outflows') over the relevant period.
Invested Customers ('IC')	2024: 265k 2023: 229k	16%	Invested Customers is defined as an individual who has transferred pension assets or made a contribution to one of PensionBee investment plans and has an active balance.
Cost per Invested Customer ('CPIC')	2024: £242 2023: £241	Within threshold	Cost per Invested Customer means the cumulative advertising and marketing costs incurred since PensionBee commenced operations up until the relevant point in time divided by the cumulative number of Invested Customers at that point in time. This measure monitors cost discipline of customer acquisition. PensionBee's desired CPIC threshold is £200-£250. At present, this metric relates only to the UK business. Due to the early stage of the US business, CPIC is not yet indicative of its long-term potential.
Customer Retention Rate (% of IC)	2024: 96% 2023: 96%	Stable at >95%	Customer Retention Rate measures the percentage of retained PensionBee Invested Customers over the average of the year. High customer retention provides more certainty of future Revenue. This measure can also be used to monitor customer satisfaction.
Revenue Margin (% of AUA)	2024: 0.64% 2023: 0.64%	+0bp	Revenue Margin expresses the recurring Revenue over the average quarterly AUA held in PensionBee's investment plans over the period.

¹³⁹ A ppt is a percentage point. A percentage point is the unit for the arithmetic difference of two percentages.

11 ESG Considerations

Stakeholder Engagement

We are dedicated to understanding the views, interests and concerns of all our stakeholders to inform our decision making. Proactive and regular engagement ensures we remain responsive to their changing needs

We engage regularly with our stakeholders to better understand their views, interests and concerns. Engaging with stakeholders enables us to inform our decision-making process and ensure we all benefit from the value PensionBee generates as a company. Engagement takes place with all our key stakeholder groups, across all levels throughout the Company. Such engagement is reported to the Board as necessary to inform decision-making and business outcomes. The Board also participates in direct engagement with certain stakeholder groups and importantly, with our employees. Please see pages 24 to 33 of the Our People section of the Strategic Report for more information on the programme of employee engagement events in 2024.

A summary of the ways in which the Company has engaged with stakeholders, having regard to what is most likely to promote the long-term sustainable success of the Company, follows.

 Customers	 Employees
Why they matter to us Customers have been at the heart of everything we do since PensionBee's inception. In 2024, we evolved our mission to 'build pension confidence', and refocused our vision on 'a world where everyone can enjoy a happy retirement'. This means always doing the right thing by our customers, seeking best outcomes for them and fostering a two-way relationship where we both seek and take on board their feedback in a regular and structured way.	Why they matter to us Our culture and values enable us to attract and retain people who passionately believe in our vision and mission. In 2024, we updated our approach to our commitment to inclusion to sharpen our focus on ensuring all our employees have a tailored, rewarding career with fair and equitable access to opportunities in a safe, respectful and enjoyable working environment. As part of this approach we learn from others and share our progress externally.
How we engaged We actively listened to our customers through surveys, one-to-one interviews, focus groups, and feedback channels. We also engaged through interdisciplinary research projects, we conducted deep dives into specific themes to enhance their overall experience and ensure their voices directly influence our work. • 4.7★ Excellent Trustpilot score (2023: 4.6★), based on 11,486 reviews, indicating continued strong customer satisfaction in our products and service. • Calls received by BeeKeepers had an average call queue time of 51 seconds (2023: 23 seconds). • Live chat wait times of 14 seconds (2023: 15 seconds). • 85% of all emails received were responded to and closed within 72 hours (2023: 87%) . • Our UX community of PensionBee customers continued growing in 2024, reaching a total of 2,674 'HoneyMakers'. • Our Data Team began a Voice of Customer Project, using a large language model to analyse all incoming customer communications, including emails, calls and live chats. • We advanced our digital accessibility commitment, embedding inclusive practices into product development and company culture. We rebuilt many of our web app pages enhancing accessibility significantly, and are continuing this work across our product offering.	How we engaged We regularly sought feedback from employees to measure our progress against the aims and goals of our updated approach to inclusion, equality and diversity. We also measured progress against goals set by the FCA and our Culture Programme. • PensionBee's Inclusion, Equality & Diversity programme led by the Executive Management Team, included 23 events aimed at raising awareness and engaging in dialogue on topics including: Social Mobility, Mental Health, Women, LGBTQ+, South Asian Heritage, Caring, Black History and Neurodiversity & Disability. • We launched our Bee Connected mentoring programme to support the personal development of our colleagues. • We continued to be a Level 2 Disability Confident Employer. • We ran dedicated Meet the Board sessions to deepen the general understanding of the roles and responsibilities of non-executive directors, using discussion around case studies such as public corporate scandals. • We continued to be an accredited Living Wage Employer, paying a London Living Wage as a minimum, regardless of where employees were located across the UK.

 Shareholders	 Suppliers
Why they matter to us We are committed to proactive and constructive engagement with our shareholders and are keen to ensure that our investors' views are well-understood. We value the views of all our shareholders, who range from large institutional investors to individual retail investors, our pre-IPO investors and shareholders that have joined us since.	Why they matter to us Strong supplier relationships ensure sustainable, high-quality delivery and innovation for our customers. Transparency over our supply chain reinforces our business accountability and credibility. At PensionBee, we act ethically in all business dealings and we expect our suppliers to adhere to ethical business principles too.
How we engaged We engaged regularly with our shareholders and the global investor community around our financial and operational performance and our plans for the business in the UK and the US. We are committed to offering transparent and frequent dialogue with Management to ensure that the views of our shareholders are reflected in our decision-making process. • We adhered to the highest standards of corporate governance and complied with the UK Corporate Governance Code. • We hosted a physical Annual General Meeting in May 2024 for shareholders of the Company. • Our Senior Independent Director engaged directly with shareholders on the tenure of the Chair of the Board to seek their views and feedback. • We chose to report frequently and to communicate with the market to foster an understanding of the Company's financial and operational performance and the overall equity story. This included quarterly trading updates, interim results and annual results, with presentations to investors and analysts with Q&A, together with recordings being made available on our website. • Management invested significant time with the investor community directly, providing valuable access. This included regular virtual and in-person one-to-one shareholder meetings, group presentations, conferences and roadshows for existing and prospective shareholders. • Management hosted the Company's first Capital Markets Day in October 2024 welcoming investors, analysts and press both physically in the UK and the US and virtually. • Following the Capital Markets Day, and in response to reverse enquiry from investors, we raised £20m of gross proceeds through a primary capital raise, aimed at accelerating the growth of our US business. We engaged with selected existing institutional shareholders and prospective institutional investors as the process allowed and received positive feedback and support.	How we engaged We engaged with our suppliers to find ways to innovate and improve our product for our customers. We are therefore committed to achieving a better understanding of the structure and complexity of our supply chain to identify actual and potential risks to our business and employees. • For oversight of third parties, we followed the framework defined within the PensionBee Third Party Management Policy, which includes an established centralised process for identification, customised due diligence and approval of third parties. • We updated and expanded the scope of our PensionBee Supplier Code of Conduct. • We engaged multiple times with our asset managers' stewardship teams and our proxy voting provider, ISS. • We became a signatory and active member of ShareAction's Long-term Investors in People's Health initiative. • We were an investor signatory and continued to disclose under the Workforce Disclosure Initiative ('WDI'), achieving a WDI disclosure score of 99% (2023: 99%). • We won 'The WDI Award' for the highest disclosure score out of all submitting companies for a second year running.

 Communities	 Planet
Why they matter to us In seeking to achieve our vision of a world where everyone can enjoy a happy retirement, we aspire to be a corporate role model in society and to lead by example. We listen and work to ensure all voices, including those of marginalised groups, are heard in the pensions system. We regularly engage with local community organisations to learn more about the challenges they face and look for opportunities to support them in achieving their goals.	Why they matter to us The future effects of climate change and extreme weather events jeopardise our customers' chance to enjoy retirement in a safe, fair and healthy world. We seek to both minimise our own negative impact on the environment and to offer an investment range that does the same. As a pension provider, PensionBee has the opportunity to offer its customers peace of mind about their financial future, knowing that their pension does not cause harm to the planet or society.

How we engaged As we do each year, we surveyed the general public about a broad range of themes such as their savings habits, pension performance expectations and their views on climate change. • We participated again in Bankside Futures, a summer employment programme for local school-leavers. • We volunteered at Blackfriars Settlement for a Crusoe Club Lunch Take-over, preparing and serving meals for visually impaired members of the local community. • We walked a 10 mile Pink Ribbon Walk for Breast Cancer Now, fundraising to support people and families affected by breast cancer. • We held a presentation for Better Bankside employees to improve their financial literacy and better understand the basics of pensions, with a deep dive on sustainable investing. • We continued to be part of the Better Bankside's Sustainability Theme Group. • We donated our laptops to the Waterloo Action Centre, for use in a weekly IT literacy skills training programme for older people in the local area who struggle to access basic online services.	How we engaged We focused on offering a core range of ESG-screened plans and we continued to work with asset managers to further expand the scope of ESG integration into our plans, as directed by our customers' views. • We launched our Climate Plan, the latest in a series of PensionBee customer-led plan innovations for the UK pensions market, in direct response to feedback from customers who expressed appetite to move to a Paris-aligned benchmark. • We supported environmental and climate-related shareholder resolutions at the annual general meetings of investee companies through Voting Choice. • We continued to be a signatory of the United Nations Global Compact, committing to the principle of promoting greater environmental responsibility. • We continued reporting our progress against our public interim and long-term net zero targets for Scope 1, 2 and 3, in line with the 1.5°C goals of the Paris Agreement. • We expanded our reporting disclosure, including Scope 3 operational emissions (categories 1-14) and disclosed our US Scope 2 emissions for the first time.
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Government and Regulators

Why they matter to us

In the UK, our policy framework is set by the Department for Work and Pensions ('DWP') and our regulator is the Financial Conduct Authority ('FCA'). In the US our regulator is the Securities and Exchange Commission ('SEC'). In both jurisdictions our regulators seek to maintain reliable, high-quality retirement systems to improve consumer outcomes. Engaging with our regulators enables us to positively influence the development of regulation and policies which impact upon PensionBee, its customers and all retirement savers.

How we engaged

We are frequent commentators on issues of national importance to our customers and all pension savers via the media, and regular contributors to public consultations on topics of key importance to our customers and those in retirement.

- We engaged directly with the FCA on our Consumer Duty work, and received positive feedback on our internal quality measures and approach to ensuring good outcomes for our target market.
- We engaged with the DWP on pot-for-life proposals and responded to the call for evidence for the Pensions Investment Review (joint Treasury and DWP initiative).
- Following the 'Lifetime Pot' proposal put forward by the Conservative government, we commissioned new research from the Centre for Economics and Business Research to understand the scale of the problem of lost pension pots in the UK. We learned that over £50bn in pensions are at risk of being misplaced or abandoned and at least 4.8m pots are already considered lost. This has been widely covered in the national media.
- We continued to call for a 10-day switch guarantee to facilitate faster transfer times, highlighting a 20% rise in transfer times from 2020-2023.
- We attended a number of online webinars directly from the SEC and pertaining to SEC regulations.
- We consulted various US government stakeholders in supporting Congress about the direction of future retirement coverage and electronic transfers.

Section 172 Statement

Section 172 of the Companies Act 2006 ('s172') requires Directors to act in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its shareholders as a whole and, in doing so, have regard to matters including the items set out in the tables that follow.

The Board seeks to understand and carefully consider our key stakeholders' interests, concerns and perspectives. The Board recognises that each decision will have a different impact on and relevance to each stakeholder, so a sound understanding of their priorities is key. While the Board engages directly with some groups of stakeholders, engagement takes place at all levels of the Company, across the business.

Feedback from the engagement at Board level and across the business is reported back to the Board and the Board Committees to help inform decision-making. The Board exercises independent judgement when balancing any competing interests in order to determine what it considers to be the most likely outcome to promote the long-term sustainable success of the Company.

Further details and specific examples of how the Board and Company engage with our stakeholders, and their interests and needs, can be found above on pages 46 to 48 (Stakeholder Engagement) within the ESG Considerations section of the Strategic Report.

Further details of how the Board operates, including certain of the matters it discussed during the year, having regard to its s172 duties, are contained on pages 89 to 95 of the Corporate Governance Statement within the Corporate Governance Report.

Section 172 Requirement	Further Information
The likely consequences of any decisions in the long term	About Us, pages 10-14 Our Strategy, pages 15-21 Our Business Model, pages 22-23 Our People, pages 24-33 Operating and Financial Review, pages 38-44 Measuring our Performance, page 45 ESG Considerations 46-55 Climate-related Disclosures, pages 56-69 Managing our Risks, pages 70-77
The interests of the Company's employees	Our People, pages 24-33 ESG Considerations 46-55
The need to foster the Company's business relationships with suppliers, customers and others	About Us, pages 10-14 ESG Considerations, pages 46-55
The impact of the Company's operations on the community and environment	About Us, pages 10-14 Our Strategy, pages 15-21 Climate-related Disclosures, pages 56-69 ESG Considerations, pages 46-55 Managing our Risks, pages 70-77
The desirability of the Company maintaining a reputation for high standards of business conduct	Managing our Risks, pages 70-77 Corporate Governance Statement, pages 89-95 Audit and Risk Committee Report, pages 103-109
The need to act fairly as between shareholders and the Company	ESG Considerations, pages 46-55 Corporate Governance Statement, pages 89-95

ESG Goals

Description	Activities	Progress in FY 2024	Goals	Status Update	Alignment with UN Sustainable Development Goals ('SDGs')
Topic 1: Excellent Value Plan Range					
To offer market leading investments that generate returns for our customers	- Annual Value for Money exercise (part of FCA's Consumer Duty) to compare the price and performance of our investment solutions and ensure we continue to offer excellent value for money for our customers. - Externally scoring our plans against accumulation and decumulation defaults in the UK non-workplace pensions market. - Working with our Governance Advisory Arrangement ('GAA'), ZEDRA Trustees, to assess value for money in our decumulation pathways range. - Continuing to deliver rapid customer service across all channels.	- Maintained an 'Excellent' value for money score from our GAA, ZEDRA Trustees, for the third year running (2023: Excellent). - Achieved an average AgeWage score of 81 (2023: 69) for our plan range (a score of 50 is above average).	'Excellent or good' value for money score from our GAA (yearly goal)		SDG 1 - No Poverty SDG 8 - Decent Work and Economic Growth
Topic 2: Product Innovation and Inclusivity					
A product that is simple, safe and reactive to changing customer needs, designed with a range of needs and vulnerabilities in mind whilst enhancing access to financial products and knowledge	- Improving customer engagement with retirement saving at every stage of their journey, through tools, content and customer-led innovations. - Enhancing our straight-through processing capability for newly requested pension transfers, to make it faster and more efficient for customers to set up their new PensionBee account and have their money moved over from their previous provider. - Continually improving the way we display and communicate information to existing and potential customers across our website and within the product. - Developing our PensionBee Responsible Product Policy to outline our approach to accessibility, meeting the needs of all our customers, financial inclusion and responsible marketing. - Expanding into the US market.	- Improved our Excellent Trustpilot score to 4.7★ (2023: 4.6★). - Implemented an all-encompassing Accessibility strategy, building accessibility thinking into all our product development processes and significantly advancing our commitment to digital accessibility. - Implemented an onboarding checklist that nudges customers into taking full advantage of their PensionBee account and engaging with positive behaviours e.g. setting up contributions. - Implemented further 'auto-matching' and 'auto-send' capabilities, automating transfers based on our knowledge of provider transfer protocols. - Launching in the US to help US savers have an easy-to-use retirement account and understand retirement, so that everyone can enjoy a happy retirement.	Maintain a 4.7 / 5 aggregated App Store and Google ratings (yearly goal)		SDG 8. Decent Work and Economic Growth SDG 10 - Reduced Inequalities

Topic 3: Pensions with Purpose and Stewardship					
A responsible plan range focused on creating a safer, fairer, kinder future whilst using voice and vote to drive positive change in companies	- Inviting the majority of the customer base to share their investment views and ensuring this aligns with our voting policy. - Supporting environmental and social shareholder resolutions through Voting Choice. - Engaging with investee companies to encourage good business practices. - Increasing our work on the impact of investee companies on public health as one of our customers' priorities. - Developing our plan offering in response to customers' feedback.	- Surveyed customers in the Tailored, Tracker and 4Plus Plans to ensure that our Voting Choice policy aligns with their changing views and needs. - Conducted our fifth annual Tailored Plan customer survey to assess views on investment decision making in the plan. - Launched the Climate Plan, our latest sustainable investing plan. - Publicly supported shareholder resolutions calling for publicly-listed companies to pay their workforce a real Living Wage. - As members of the Good Work Coalition, we joined group engagements to encourage management to progress towards real Living Wage accreditation, particularly extending the real Living Wage to third-party contractors. - Played a crucial role in helping to file a health-related resolution, calling on a multinational company to increase their range of healthy food options and appropriately use food classification systems. - Became a signatory and active member of ShareAction's Long-term Investors in People's Health (LIPH) initiative. - Shortlisted for Pensions with Purpose 'Impact Investing Adopter' Award. - Received the 'Product Sustainability Mark' for our Impact Plan from Ethical Consumer.	100% of eligible customers invited to share their voting views via survey or interview (yearly goal)		SDG 3 - Good Health and Well-being SDG 7 - Affordable and Clean Energy SDG 8 - Decent Work and Economic Growth SDG 10 - Reduced Inequalities SDG 13 - Climate Action
Topic 4: Cyber Security					
Cyber security practices in place to ensure the highest levels of protection	- Successfully transition of the Information Security Management System from ISO27001:2013 to the new ISO27001:2022 standard. - Integrating 2FA on all critical systems where customer and confidential data is controlled and/or processed. - Implementing an enterprise Cyber Awareness Training platform to focus on the human element of cyber risk. - Maturing the 24 x7 Security Operations Center to identify and detect early warnings on potential malicious activity.	- Achieved 99.9% Website and App Uptime Availability¹⁴⁰ in 2024 (2023: 99.9%). - Achieved an 8.8% Email Phishing Test Click Rate Average for 2024 as compared to a target =<10% (2023: 6.8%). - Deployed more sophisticated phishing techniques and software.	0 incidents that have a meaningful impact on confidentiality, integrity or availability in the production environment (yearly goal)		SDG 9 - Industry, Innovation and Infrastructure

¹⁴⁰ Website and App Uptime Availability measures the percentage of time that the web application is available to customers.

Topic 5: Our Commitment to Inclusion					
A tailored, rewarding career, with fair and equitable access to opportunities in a safe, respectful and enjoyable working environment	- Ensuring we offer an inclusive compensation package, regularly benchmarked and adjusted to meet industry levels. - Providing transparent salary ranges for each level, with salaries always posted on job adverts. - Providing for differing needs such as paid time off for carers, disability leave, gender inclusive parental leave. - Providing fair and equitable access to opportunities including blind internal hiring and clear, consistent performance policies. - Providing a programme of regular training and events such as 'Hive and Thrive'. - Supporting personal development through initiatives such as our Bee Connected mentoring programme. - A zero-tolerance approach to bullying, harassment, victimisation and discrimination. - Maintaining our Level 2 Disability Confident Employer status.	35% of our Company identified as coming from a minority ethnic group (2023: 37%). 10% of Executive Management identified as coming from a minority ethnic group (2023: 10%). 14% of the Board identified as coming from a minority ethnic group (2023: 14%). 57% female representation on the Board (2023: 57%). - Maintained our Level 2 Disability Confident Employer status. 83% of UK employees said they felt aligned with PensionBee's mission, vision and values (2023: 90%). 83% of UK employees would recommend working at PensionBee to a friend (2023: 85%).	More than 75% of employees (across all demographics) recommending working at PensionBee to a friend Exceeding industry averages across every department and management level for demographic data		SDG 4 - Quality Education SDG 5 - Gender Equality SDG 8 - Decent Work and Economic Growth SDG 10 - Reduced Inequalities
Topic 6: Climate Leadership					
A pension provider, focused on a climate transition that is safe and fair for all	- Making progress towards our near-term (2030) and long-term (2050) net zero targets for carbon emission reduction across the business and asset base. - Updating our public targets to reflect changes in our business where necessary. - Ensuring we monitor the latest in climate science and reviewing public targets as appropriate. - Decarbonising the portfolio through additional ESG screening in our plans. - Enhancing reporting disclosure boundaries for Scope 1, 2, and 3 (Categories 1-15).	- Continued reporting our progress against our interim and long term net zero targets for Scope 1, 2, and 3, in line with 1.5°C goals of the Paris Agreement. - Cloud-hosted web services provided by suppliers with a public commitment to sustainability in their energy use. - Continued to reduce our energy usage for Scope 1 and 2 emissions. - Started including the US operational emissions into the global Scope 1 and 2 emissions disclosure, using the regional emissions factor. - Identified six categories of Scope 3 emissions that are material to the business that we started reporting on from 2024	Reporting on progress against our science-based public net zero 2030 and 2050 targets that align with 1.5°C Paris Agreement goals (yearly target)		SDG 1 - No Poverty SDG 7 - Affordable and Clean Energy SDG 11 - Sustainable Cities and Communities SDG 13 - Climate Action

Project Status:

Completed	On Track	In Development
		

Deep Dives

Voting Choice	Retirement Planning Innovation	Long-term Investors in People's Health Initiative
Our 'Voting Choice' work enables customers in the Tailored, Tracker, 4Plus and Climate Plans to vote in line with their values. This marks a significant shift from historical practices, where asset managers controlled all the votes in pooled funds. Each year, we refine our understanding of the ESG issues that matter most to our customers by conducting detailed surveys. In February 2024, we expanded this process to include specific voting topics and real-world shareholder resolutions. Customers were invited to share their voting preferences on high-profile issues from the 2023 and 2024 AGM seasons, providing valuable insights into their priorities. These efforts underscore our commitment to ensuring our voting policy reflects customer expectations. Survey results revealed strong customer support for using our collective influence to advocate for sustainable corporate practices and drive long-term value for pensions. Beyond voting, we engaged directly with asset managers across all plans, championing a future of sustainable growth and positive societal impact.	Throughout 2024 we continued building new tools, bringing our customers important retirement information and improving our existing features to support them in becoming more Pension Confident. We created our new 'Approaching Retirement' hub on our UK website to help customers learn about the things they need to consider when they eventually stop working, and how they can plan towards their retirement goals. We enabled customers to build a fuller picture of their retirement income. Customers can now add up to five pensions from other providers to their BeeHive Retirement Planner for a clearer view of their retirement income. This feature can help them adjust how much they may need to contribute to reach their retirement goals. We launched our Pensions Statistics Dashboard. This is a single source for all the key pension figures and information to help customers stay up to date with the latest statistics that could impact retirement, like the State Pension age, how much it is currently worth as well as the latest pension tax rules and allowances.	In 2024, we became a signatory and active member of ShareAction's Long-term Investors in People's Health ('LIPH') initiative. LIPH is a global program that assists investors in prioritising people's health within their portfolios, recognising that poor health can lead to significant financial and societal risks. Through the LIPH, PensionBee collaborates with other investors to promote better health outcomes for workers, consumers, and communities. This collaboration involves sharing best practices, participating in corporate engagement initiatives, and influencing policymakers to enhance the health data landscape. As part of our work with the LIPH Initiative, we co-signed a letter sent to key food and beverage manufacturers asking for improved health disclosure and greater transparency around the healthiness of product sales. We also provided feedback for the Taskforce on Inequality and Social-related Financial Disclosures ('TISFD') on its proposed mandate and scope ahead of its launch in September 2024. Advocating for healthier business practices helps us foster more sustainable and resilient investee companies within our plans. Healthier companies are likely to experience improved productivity and reduced costs associated with employee illness, potentially leading to better financial performance. In turn, this can result in better financial returns on pension investments, while acting in the best interests of consumers, society and the planet.

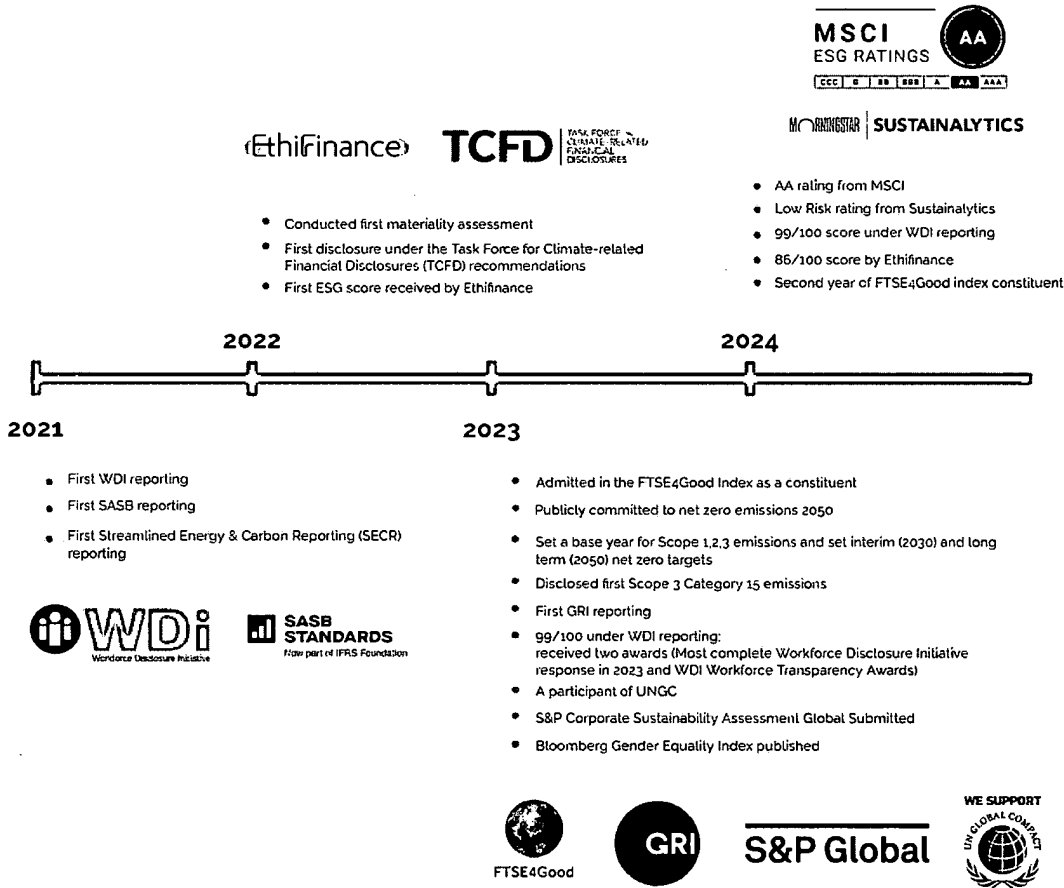
Supporting our Local Community	Digital Accessibility	
In 2024, as part of our Age Awareness Month we had the opportunity to participate in a Blackfriars Settlement Crusoe Club Lunch Kitchen Take-over. This is a weekly club to support visually impaired service users. For many, this is the only opportunity to leave their house and meet people each week, as transport is provided. Lunch Club Kitchen Take-overs are where groups of volunteers prepare and serve meals for service users, who are predominantly local older people or those who suffer from social isolation. Volunteers and service users eat lunch together and then spend the afternoon engaging, socialising and sharing stories. The Blackfriars Settlement, set up in 1887 in London, is a charity that supports the local community and tackles social issues. It started as part of the settlement movement, which aimed to bring people from different backgrounds together to help those in need. Today, it runs a range of services like skills training, mental health support and fun educational activities - a place where people can come for support, to learn new things and feel part of a community.	In 2024, we significantly advanced our commitment to digital accessibility, focusing on embedding inclusive practices into both our product development and Company culture. We recognise that accessibility is an ongoing journey. In the UK, we have a dedicated group of accessibility champions driving initiatives to embed accessibility into new product features, while addressing legacy issues. Our focus has been on adopting universal design principles and building an accessible component library to support consistent and inclusive user experiences. When developing our new US product, accessibility was a priority from the very start. By integrating accessibility considerations into both the design and build phases, we ensured alignment with Web Content Accessibility Guidelines, creating an inclusive and accessible experience for our customers. Alongside these efforts, our US team received training on assistive technologies and how customers might navigate the product, enhancing their understanding of the diverse needs of our users. To complement these technical improvements, we also strengthened accessibility awareness Company-wide by improving internal resources and communication. A key milestone this year was conducting interviews with customers who use assistive technologies. These sessions provided invaluable insights into how our customers interact with our product, highlighting specific areas for improvement and reinforcing our commitment to user-centred design.	<i>"I was pleasantly surprised at how user-friendly PensionBee is. Pensions notoriously involve a lot of complex information, and I find PensionBee very clear and understandable. I have several accessibility issues, therefore, it's encouraging to see a tech company showing proactive effort in digital accessibility. PensionBee bridges the gap quite well."</i> – PensionBee customer with disability. <i>"As an experienced web developer with a focus on accessibility, I absolutely appreciate that PensionBee takes digital accessibility so seriously! PensionBee isn't just providing accessible solutions for a narrow percentage of individuals with permanent impairments, the benefits radiate out to a much wider audience, and also support users with temporary or situational needs."</i> – PensionBee customer with ADHD and sensory issues. <i>"The use of assistive tools such as screen readers, the option to adjust color contrast, and embedded text-to-speech functions make a really positive impact accessibility wise"</i> – PensionBee customer, affected by colour blindness.

ESG Disclosures and Benchmarking

PensionBee has received recognition across numerous ESG frameworks, rating agencies and indices. We voluntarily submit our ESG data to organisations such as the Sustainability Accounting Standards Board, the Workforce Disclosure Initiative, Global Reporting Initiative, and S&P's Corporate Sustainability Assessment. We have also been independently assessed by ESG raters such as MSCI, Sustainalytics, ISS and Ethifinance. Over 2024, our scores increased and improved.

Framework / Rater / Index	2024 Score
MSCI ESG Ratings	Leader (AA)
Sustainalytics	Low Risk: 19.9 / 40+ (lower scores indicate better practices)
EthiFinance	86 / 100 (higher scores indicate better practices)
FTSE4Good	3.9 / 5 (higher scores indicate better practices)
Global Reporting Initiative	Second year of disclosure
ISS ESG	3 / 10 average across E, S and G score (lower scores indicate better practices)
Sustainability Accounting Standards Board	Fourth year of SASB disclosure under Asset Management & Custody Activities / Software & IT Services industries.
S&P Corporate Sustainability Assessment Global	46 / 100 (higher scores indicate better practices)
Task Force on Climate-Related Financial Disclosures	11 / 11 metrics disclosed
United Nations Global Compact	Participant member
Workforce Disclosure Initiative	99 / 100 disclosure score (fourth year of disclosure)

ESG Disclosure Timeline



12 Climate-related Disclosures

Streamlined Energy and Carbon Reporting

This section has been prepared in accordance with our regulatory obligation to report GHG emissions pursuant to the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018, which implement the government's policy on Streamlined Energy and Carbon Reporting ('SECR').

This is our fourth year of reporting under the SECR requirements. The reporting period is the same as the Company's financial year, 1 January to 31 December 2024.

Organisation Boundary and Scope of Emissions

We have reported on all emission sources required under the Companies Act 2006 (Strategic Report and Directors' Reports) Regulations 2018. These sources fall within the Company's consolidated financial statements.

An operational control approach has been used to define our organisational boundary. This is the basis for determining the Scope 1, 2 and 3 emissions for which the Company is responsible.

In mid-2024, we expanded our business to the US. As a UK-listed company, we are required to disclose the operational emissions from our new US office in addition to those from the UK.

All carbon dioxide emissions and energy consumption figures related to emissions from operations in the UK and the US. The Company does not have any operations in other offshore areas.

Methodology

The following methodology was applied in the preparation and presentation of this data:

- The calculation of the energy consumed for the following categories:
 - Combustion of fuel (not applicable to the Company).
 - Operation of its facilities.
 - Purchase of electricity, heat, steam or cooling by the Company for its own use.
- Selection and application of appropriate regional emission factors (UK: 'DEFRA 2024' and US: 'EPA 2024') to the Company's activities to calculate GHG emissions in line with the Greenhouse Gas Protocol published by the World Business Council for Sustainable Development and the World Resources Institute ('WBCSD/WRI GHG Protocol').
- Scope 2 emissions reporting methods - application of location-based and market-based emission factors to the electricity supplies.
- Inclusion of all the applicable Kyoto gases, expressed in carbon dioxide equivalents, or CO₂e.
- Presentation of gross emissions, as the Company does not purchase carbon credits (or equivalents).

Absolute Emissions

The total Scope 2 GHG emissions from the Company's global operations in the year ending 31 December 2024 were as follows:

- 9.30 tonnes of CO₂ equivalent (tCO₂e) when using a 'location-based' emission factor methodology for Scope 2 emissions.
- 0.00 tonnes of CO₂ equivalent (tCO₂e) when using a 'market-based' emission factor methodology for Scope 2 emissions.

The Scope 2 emissions reported above include purchased electricity, which covers the energy used for heating its facilities.

Note that no Scope 1 emissions were generated by PensionBee, so these are not included in this report. Scope 3 emissions are also not included because quoted companies are not required to report on any Scope 3 categories. For a breakdown of our Scope 3 operational emissions and financed emissions, please refer to the Task Force on Climate-related Financial Disclosures report on pages 59 to 69.

Intensity Ratio

As well as reporting the absolute emissions, the Company's 2024 global GHG emissions are reported below using the metric of tonnes of CO₂ equivalent per million pounds of PensionBee Revenue for the Group. Note that the Company's operational emissions in the UK and the US use different emissions factors.¹⁴¹

The intensity metric is as follows:

- 0.28 CO₂e per million pounds of Revenue using the location-based method.
- 0.00 CO₂e per million pounds of Revenue using the market-based method.

Target and Baselines

Our objective is to maintain or reduce our GHG emissions per £m of Revenue each year and we report each year whether we have been successful in this regard. Our global absolute emissions for the UK and US in 2024 have seen a decrease of 6.12% using the location-based method for Scope 2 emissions - this is despite an increase in the size of our overall operations, which were expanded from mid-2024. Absolute emissions using the market-based method have remained consistent at 0.00 tCO₂e.

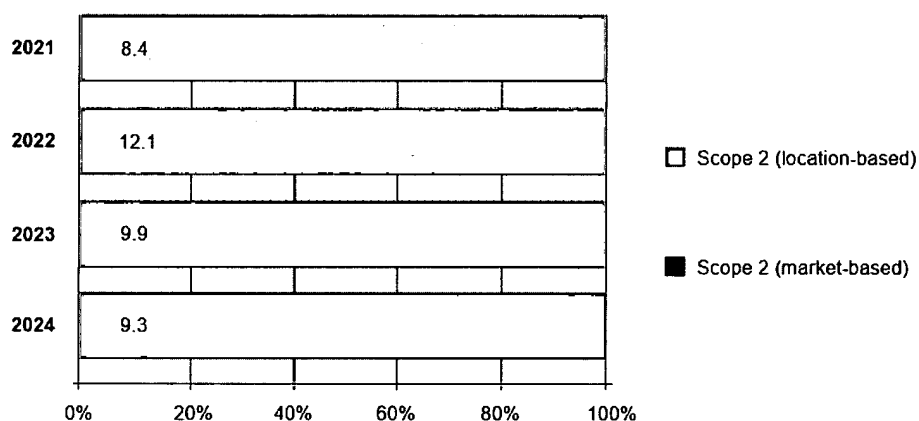
¹⁴¹ The UK Government's GHG conversion factors for company reporting are published annually: [gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2024](https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2024). In the US, GHG emissions factors can be found on the United States Environmental Protection Agency's GHG Emission Factors Hub: [epa.gov/climateleadership/ghg-emission-factors-hub](https://www.epa.gov/climateleadership/ghg-emission-factors-hub).

In 2024, we conducted an internal energy audit to track and monitor the energy usage of our UK office space and made a number of significant changes. The resulting impact of these efficiency measures was a further decrease in UK Scope 2 emissions for the year. Additionally, continued efficiencies in how temperature was controlled in the building's public areas resulted in decreases in overall energy consumption for all tenants in 2024. These changes impacted our energy usage in the UK, which saw an overall decrease of 16.2% in Scope 2 absolute emissions. In the US we use serviced WeWork offices and our energy usage was measured by desk and floor space.

The Company's intensity ratio metric decreased from 2023 to 2024. Our overall GHG emissions per £m of Revenue for the Group decreased to 0.28 tCO₂e in 2024, down 0.14 tCO₂e from 0.42 tCO₂e in 2023.

Key Figures

PensionBee - Breakdown of Emissions by Scope (tCO₂e)



GHG Emissions	2021		2022		2023		2024	
	Tonnes CO ₂ e	tCO ₂ e/£m Revenue ¹⁴²	Tonnes CO ₂ e	tCO ₂ e/£m Revenue ¹⁴³	Tonnes CO ₂ e	tCO ₂ e/£m Revenue ¹⁴⁴	Tonnes CO ₂ e	tCO ₂ e/£m Revenue ¹⁴⁵
Scope 1 ¹⁴⁶	-	-	-	-	-	-	-	-
Scope 2 ¹⁴⁷	8.36	0.64	12.07	0.67	9.91	0.42	9.30	0.28
Scope 2 ¹⁴⁸	-	-	-	-	-	-	-	-
Total GHG Emissions (location-based)	8.36	0.64	12.07	0.67	9.91	0.42	9.30	0.28
Total GHG Emissions (market-based)	-	-	-	-	-	-	-	-

Total Energy Use

Our Company's total energy use for 2024 for both the UK and the US was 43,465 kWh.

Global	Electricity (kWh)	Total Energy Use (kWh)
2024	43,465	43,465
Total	43,465	43,465

¹⁴² 2021 Revenue of £12.8m.

¹⁴³ 2022 Revenue of £17.7m.

¹⁴⁴ 2023 Revenue of £23.8m.

¹⁴⁵ 2024 Revenue of £33.2m.

¹⁴⁶ Scope 1 being emissions from the Company's combustion of fuel and operation of facilities.

¹⁴⁷ Scope 2 being electricity (from location-based calculations), heat, steam and cooling purchased for the Company's own use.

¹⁴⁸ Scope 2 being electricity (from market-based calculations), heat, steam and cooling purchased for the Company's own use.

UK	Electricity (kWh)	Total Energy Use (kWh)
2024	40,105	40,105
2023	47,841	47,841
2022	62,407	62,407
2021	39,361	39,361
Total	149,609	149,609

US	Electricity (kWh)	Total Energy Use (kWh)
2024	3,360	3,360
Total	3,360	3,360

Energy Efficiency Actions

In 2024, we undertook the following measures in the UK to reduce our Scope 2 emissions, including:

- Conducting an internal energy audit with the building's air conditioning engineers to reassess office usage. As a result we made a number of changes to the timer and temperature settings in our main office and meeting rooms, turning heat/air conditioning ('AC') on later and off earlier, in line with the small reduction in working hours, and changing the temperature at which units were activated.
- Working with the building management team to understand how to reduce energy consumption in communally charged areas, including AC units situated on the roof, on the basis of observations made by the technical consultants.
- Continuing to use 100% Renewable Energy Guarantees of Origin backed electricity in the UK.
- Maintaining low business travel emissions, being a remote-first company with all meetings held virtually by default or in central London (with the exception of a small number of meetings outside of the UK).
- Continuing to be a paperless pension provider and increasing the number of digital transfers with 'paper providers'.
- Tracking and reporting the progress on the energy reduction rate against the Company's public net zero targets for Scope 1 and 2 emissions from the baseline year of 2022.

Task Force on Climate-related Financial Disclosures

We are pleased to present our third year of the Task Force on Climate-related Financial Disclosures ('TCFD'). We have continued to apply a proportionate and appropriate approach to TCFD, assessing the reasonableness of the TCFD Implementation Guidance (2021) with respect to the Company's size, business model and continuing constraints of data coverage.

Given our online business model and limited direct carbon footprint, we are an emission-light company with respect to Scope 1 and Scope 2 emissions, as outlined in SECR. We are pleased in our third reporting year to continue to disclose Scope 3 financed emissions (category 15) for the majority of the asset base. In addition, we have expanded our Scope 3 disclosure to include additional categories of Scope 3 for operational emissions that are material to the Company. Please see on pages 67 and 68 (section 4.2 Emissions) for further details.

In accordance with Paragraph 8(a) of UK Listing Rule 6.6.6R, all of the disclosures presented here are consistent with the TCFD Implementation Guidance (2021) to the extent described in the table below:

Full:  Partial:  None: 

With respect to our long-term ambitions, PensionBee is committed to achieving net zero emissions across the entire business by 2050. This commitment is applicable to all direct (Scope 1) and indirect (Scope 2) operational emissions, as well as material emissions from our wider value chain (Scope 3).

As a result of calculating our base year emissions, we were able to set near-term ('interim') targets for 2030 and long-term ('net zero') targets for 2050, last year. These targets are detailed as part of our 2024 disclosure below. We continue to commit to these science-based targets in line with the 1.5°C goals of the Paris Agreement.¹⁴⁹

Governance	Reference	Consistency
Describe the Board's oversight of climate-related risks and opportunities: - We have outlined how the Board oversees climate-related risks and opportunities through our Climate Change Governance Framework. - The Board monitors progress against climate targets through the Audit and Risk Committee.	Page 61 Section 1.1	
Describe management's role in assessing and managing climate-related risks and opportunities: We have outlined management's role in assessing and managing climate-related risks through our risk management framework described below and in the Managing our Risks section of the Strategic Report.	Page 62 Section 1.2 Pages 70 to 77 of the Managing our Risks section of the Strategic Report	

Strategy	Reference	Consistency
Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term: Climate-related risks and opportunities identified over the short, medium and long-term have been described, considering scenario analysis across three different timeframes and impacts.	Page 62 Section 2.1	
Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning: We have outlined plans to support the transition to a low carbon economy. We have also identified opportunities and risks to our business.	Page 64 Sections 2.2/2.3	
Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario: We have described how resilient our strategies are to climate-related risk and opportunities under different climate-related scenarios: orderly, disorderly and failed transition. We have also described the quantitative as well as qualitative impact to our revenue as a result of these different transition scenarios.	Page 64 Section 2.3	

¹⁴⁹ The Paris Agreement is a legally binding international treaty that aims to reduce greenhouse gas emissions and limit global warming. It was adopted in 2015 at the UN Climate Change Conference (COP21) in Paris, France, and entered into force in November 2016. Its overarching goal is to hold 'the increase in the global average temperature to well below 2°C above pre-industrial levels' and pursue efforts 'to limit the temperature increase to 1.5°C above pre-industrial levels'.

Risk Management	Reference	Consistency
Describe the organisation's processes for identifying and assessing climate-related risks: We have described our processes for identifying and assessing climate-related risk.	Page 66 Section 3.1	●
Describe the organisation's processes for managing climate-related risks: We have described our processes for managing climate-related risk.	Page 66 Section 3.2	●
Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management: We have described how our processes for identifying, assessing, and managing climate-related risks are integrated into our overall risk management framework.	Page 66 Section 3.2	●

Metrics & Targets	Reference	Consistency
Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process: We have disclosed the metrics currently used by PensionBee to assess climate-related risk and opportunity.	Page 67 Section 4.1	●
Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks: - We have disclosed Scope 1 and Scope 2 GHG emissions for 2023 as per our SECR obligations. - We have disclosed our Scope 3 (Category 15) financed emissions for 2022, as this data is available with a one year delay from our asset managers.	Page 67 Section 4.2	●
Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets: We have committed to long-term climate action. We will now report progress against targets for the management of climate-related risks and opportunities.	Page 68 Section 4.3	●

1. Governance

Climate Change Governance Framework

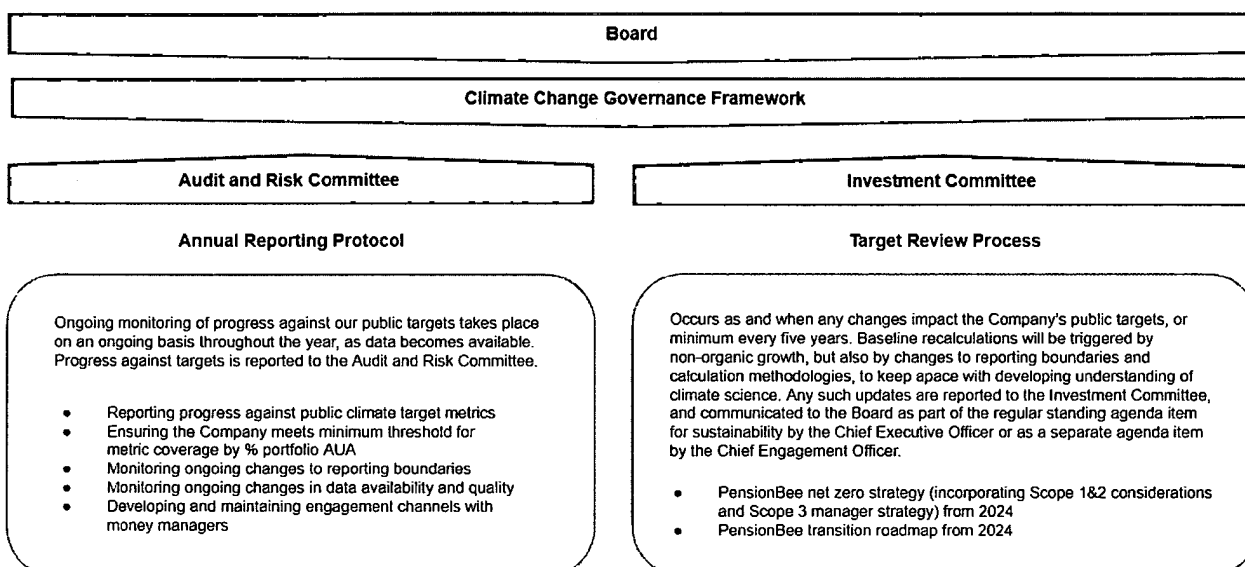
PensionBee has made a public commitment to achieve net zero emissions across the entire business by 2050. Progress towards this commitment is monitored and overseen by the Board, both annually and on an ongoing basis where required. Day to day accountability for climate matters is delegated to Executive Management, including the Chief Executive Officer, who is supported by the Chief Engagement Officer and Chief Risk Officer in discharging this responsibility.

Governance of sustainability issues, including climate-related risks and opportunities, are covered by the Board and Committees as outlined below and as part of our Annual Reporting Protocol and Target Review Process.

Ownership of Climate-related Metrics and Targets Governance

The Engagement Team, led by the Chief Engagement Officer, owns the Climate Change Governance Framework, comprising the Annual Reporting Protocol and the Target Review Process.

The Board delegates responsibility for oversight of our Annual Reporting Protocol to the Audit and Risk Committee. Oversight of the Target Review Process is provided by the Investment Committee.



1.1 Our Board

Our Board has the ultimate responsibility for Climate Risk, a Principal Risk. The Board takes responsibility for the approval of PensionBee's approach in relation to climate-related matters, which includes our Environmental, Social and Governance ('ESG') Policy and oversees the selection of plans and managers, which form our investment range.

Process by which Board and Committees are informed about Climate-related Issues

The Board delegates day-to-day oversight of sustainability matters and ongoing progress against goals and targets for addressing climate-related issues, also known as the Annual Reporting Protocol, to two of its sub-committees: the Audit and Risk Committee and the Investment Committee.

In 2024, matters related to climate, sustainability and the reporting back of progress against our public targets took place on multiple occasions, including at the Board, Audit and Risk Committee and the Investment Committee.

Audit and Risk Committee

The Audit and Risk Committee manages the Company's Principal Risks, including Climate Risk. It oversees mandatory climate-related reporting (currently TCFD and SECR disclosures) and monitors annual reporting against public net zero targets.

The Board delegates responsibility to the Audit and Risk Committee to provide a rigorous challenge to Executive Management on progress against goals and targets under the Annual Reporting Protocol.

The Chief Engagement Officer formally reports back on progress against targets to the Audit and Risk Committee on an annual basis, in line with the Annual Reporting Protocol. In addition, ad hoc reporting takes place throughout the year to cover any ongoing changes to data quality, data availability, metric coverage or the reporting boundary. The purpose of this ad hoc reporting is to act as an early warning system for any changes to data or reporting that may impact our ability to meet an existing target.

The Chief Financial Officer, a management co-sponsor of the Audit and Risk Committee, is responsible for production of the Group's financial statements, including climate-related market risks connected to our investments.

The Chief Risk Officer, also a management co-sponsor of the Audit and Risk Committee, is responsible for the Company's risk management, including oversight of its risk identification and mitigation activities, implementation of the risk management framework, and reporting on the risk assessments against Board's risk appetite.

All Board members are invited to the Audit and Risk Committee, however, the Chair may also request a private meeting with the second line of defence (the Risk Management Team) or external assurance providers (independent third parties). For more information on our lines of defence, refer to pages 70 to 77 of the Managing our Risks section of the Strategic Report.

The Audit and Risk Committee meets at least seven times a year and has ad hoc meetings as and when required.

Investment Committee

The Investment Committee oversees the delivery of PensionBee's Target Review Process. This is the system by which we review baseline and metric choices as the business and market evolves. This includes changes to the boundary or calculation methods that can impact a target as well as oversight over the fund range and our asset managers. The Investment Committee oversees the ESG Policy, including the Company's approach to responsible investment, screening and voting, which is then approved by the Board.

PensionBee's Target Review Process monitors our asset managers and investment plans, data quality and availability of Scope 3 emissions, as well as climate science, sector ambition and calculation methodologies. Any material changes that impact the Company's target or trigger a recalculation of the baseline would be reported by the Investment Committee directly to the Board.

The Investment Committee meets at least three times a year and has ad hoc meetings as and when required.

Maintaining and Enhancing Climate Competence

The Chief Engagement Officer is the owner of Climate Risk, owns our ESG policy and oversees all climate-related reporting, asset stewardship and related activities. There are two dedicated ESG-focused team members who report directly to the Chief Engagement Officer. The ESG Manager leads on climate reporting, working directly with asset managers, building managers and technical consultants to obtain and analyse emissions data throughout the year, tracking ongoing progress against targets as part of our annual report back to the Audit and Risk Committee. The Senior ESG Manager leads on wider sustainability initiatives connected to our investment range, including but not limited to customer engagement on voting, climate, ESG and active asset ownership. The Chief Risk Officer has extensive risk management experience managing across all risks, including Climate Risk and is responsible for risk oversight.

Climate-reporting and TCFD training has taken place with both external expert advisors and our asset managers as they relate to the investment plans. PensionBee meets on a regular basis with the TCFD and climate reporting teams of our asset managers, and we are pleased to say that in 2024 there has been a marked increase in the quality and availability of data from all our asset managers.

ESG-focused team members have also attended climate-related workshops delivered by the London Stock Exchange, BlackRock, Deloitte, KPMG and others in relation to our requirements. In 2024, additional climate reporting training was provided by the United Nations Global Compact for the ESG Managers to enhance their knowledge on GHG emissions that are associated with business operations, including financed emissions, calculation methodologies, net zero standard and science-based targets and initiatives.

In 2024, the Board had a teach-in on Sustainability and Corporate Reporting team on developments in EU and UK sustainability reporting, as well as a number of structured discussions on climate reporting at both the Audit and Risk Committee and the Investment Committee.

We also received regular support from our long-standing external sustainability and climate partner, Verco, who assisted with updating emission boundaries, calculations and formulation of our ongoing progress against net zero targets, in line with best practice for the sector. We continue to work with external experts to ensure our climate-reporting and targets are accurate, consistent and always kept up to date reflecting the latest changes in climate science and metrics.

1.2 Our Management

PensionBee's culture is one of our most fundamental tools for effective risk management. Our management promotes risk awareness, transparency and accountability, and places a strong emphasis on the timely identification, escalation and reporting of risks.

Management's role in assessing and managing climate-related risks through our risk management framework is described in detail on pages 70 to 77 of the Managing our Risks section of the Strategic Report.

2. Strategy

2.1 Climate-related Risk and Opportunity

Climate Risk is included in the Company's internal risk register as a Principal (or Level 1) Risk, and climate-related sub-risks (Business Continuity, Compliance, Liability and Third Party Supplier risks) are included as Level 2 risks. These risks are evaluated as a part of our periodic risk and control assessment process, as well as on an ad hoc basis following any climate-related risk events.

Overall, Climate Risk has been rated as Low based on our assessments of Level 2 risks. Physical risk, classified under the Level 2 category Business Continuity Risk (and to a lesser extent Third Party Supplier Risk), poses a relatively minor risk to the business, given our small physical footprint and cloud-based operations. Transition risks are more pertinent for the business and are broadly grouped under both Compliance and Liability Risks.

Climate Risks (Physical and Transition)

Risk (Level 1)	Risk (Level 2)	Description	Response	Residual Risk Quantification	Risk Rating
Climate Change (Physical)	Business Continuity Risk	Climate-related physical damage to facilities/equipment or impact on staff materially affecting the ability to conduct critical business activities	Low exposure given small physical footprint and a resilient operation (cloud-based operation, flexible/remote working). Risk transfer policies in place including the Engineering Policy covering physical risks.	Likelihood/Impact: Unlikely/Moderate Loss Estimate: £15k	Low
Climate Change (Transition)	Compliance Risk	Failure to adapt to the changing regulation and disclosure requirements associated with climate change	Compliance with regulatory (e.g. TCFD, SECR) requirements. Ongoing regulatory compliance is monitored by the second line risk function.	Likelihood/Impact: Unlikely/Moderate Loss Estimate: £15k	Low

Climate Change (Transition)	Liability Risk	Liability resulting from changes in climate-sensitive investment exposures	Exclusionary screens are applied to the majority of our funds to reduce harmful exposures to thermal coal and oil sands. In 2024, we updated our fossil fuel free offering to a Paris-aligned Climate Plan, to reduce carbon emissions intensity by 10% a year. FinTech Insurance Policy in place covering detrimental changes in our income statement.	Likelihood/Impact: Possible/Moderate Loss Estimate: £30k	Low
Climate Change (Physical)	Third Party Supplier Risk	Disruption of business activities due to critical third-party service providers being impacted by climate-related events	Resilient, cloud-based operation. Asset managers, banking and cloud providers are all investment grade financial institutions with established business continuity plans.	Likelihood/Impact: Rare/Major Loss Estimate: £20k	Low

The above-mentioned sub-risks are generally of relevance across a combination of the short (one to five years), medium (five to ten years) and long-term (10 to 30 years) time horizons. Acknowledging that some may become more or less likely over time, due to the changing physical and transition risk profile of our geography and sector, we have assessed the following as the key climate-related risks and opportunities over each time horizon. We will reassess these risks at least on an annual basis, or as important issues arise, in line with the risk management framework.

Short-Term

Within the next one to five years, we expect regulation and policy to be the predominant climate-related risks facing the business. These are managed under the Level 2 Compliance Risk and will primarily be driven by changes in the regulatory regime for listed UK businesses/pension schemes and continuously evolving policy actions. Associated legal risks will also increase as the expertise and resources needed to meet increasing climate-related regulatory, mitigation and adaptation demands also rise.

We are already starting to see increased opportunities through greater capital availability driven by demand from investors for more sustainable investment products. In 2024, we reached out to customers in our Fossil Fuel Free Plan to ensure that their changing views and expectations continued to be reflected in the plan's exclusionary approach and objectives. We learnt that customers want their pension to decrease exposure to carbon intensive industries over time and invest more in green revenues. Customers also told us they expect their pension investments to align with international climate change agreements.

In response to this customer feedback we began working on a new Climate Plan, with an expanded set of exclusionary criteria, aligning with the 1.5°C goals of the Paris Agreement and with a focus on decreasing emissions and green revenues. In late 2024, we moved all customers from the Fossil Fuel Free Plan to the Climate Plan. The Climate Plan tracks a MSCI Paris-Aligned Benchmark with a market-leading decarbonisation pathway of 10% year-on-year and was designed in collaboration with State Street Global Advisors.

The Climate Plan helped us meet the changing requirements of our customer base and will play an important role in helping us manage Climate Risk by decarbonising our own investment portfolio, in line with our public net zero commitments.

Medium-Term

In the next five to 10 years, climate-related risks will focus more on the potential market and reputational risks associated with indirect exposure to high-emitting sectors through investee companies or sectors otherwise exposed to Climate Risk. This will be managed under the Level 2 Liability Risk and addressed through the asset managers.

Over this time horizon, opportunities will develop as the market grows. We will continue to monitor consumer trends, which currently point towards increased demands for low-carbon products. We will proactively seek the views of our customer base through regular engagement to make sure the investment plans continue to meet our customers' needs, and access new markets where appropriate.

Long-Term

Over the next 10 to 30 years, which comprises our longer-term horizon, we recognise that there are difficulties in accurately predicting the specific market, policy or environmental context in which our business will operate. As a pension provider interested in the long-term financial performance of our investments, the exposure of our investee companies to both Climate Risk and climate opportunity is of great importance.

We expect to see an increased Level 2 Business Continuity and Third Party Supplier Risk through business interruption and damage across operations and supply chains, with consequences for input costs, revenues, asset values and insurance claims. Crucially, the quantum of assets which may be stranded may increase with a delay in the transition to net zero. However, over this time horizon we also see a significant opportunity to be seen as a leader in our field, in addressing the challenges of climate change through our products and services, resilience and risk management strategy. Leadership will be shown through addressing the challenges of climate change through both our asset base (choice of climate-related investment plans), our corporate citizenship (strong ESG ratings) and our voting record (on climate-related issues).

2.2 Impact on the Business

All of the key climate-related risks identified with the greatest potential to impact our business, have had some impact on the organisation's business, strategy or financial planning.

As evidenced through our stakeholder engagement, climate-related issues are of importance to our customers and have therefore impacted our product offering. Minimising Liability Risk in our investment portfolio, resulting from changes in climate-sensitive investment exposures, or from failure to communicate our climate change strategy and targets, is a priority for our business and our customers.

PensionBee applies baseline ESG exclusionary screens to the UK investment plan range, where both the asset class and the plan investment objectives allow,¹⁵⁰ and we are working with our asset managers to reduce our holdings in companies that harm the environment through their business activities. We seek to increase screening over time, in-line with the views of our customer base. As of December 2024, more than 99% of the asset base was screened for thermal coal.¹⁵¹ Across our plan range, seven out of our eight plans used some ESG-screened or ESG-tilted underlying building blocks.

The Tailored Plan, our default solution and largest plan by customers and assets, has a number of sustainable objectives including climate targets to achieve an absolute reduction of 50% of the carbon emission intensity score over a 10-year period from 2019. BlackRock, the plan's asset manager, has also set a number of criteria relating to positive ESG tilting across the portfolio, to ensure that at least 80% of the underlying funds related to corporate and sovereign issuers are held in ESG optimised or screened funds.

In 2024, PensionBee launched a new Climate Plan, the latest in a series of the Company's customer-led plan innovations for the UK pensions market, in response to a growing desire by our customers to evolve how they invest, in line with their values. The plan tracks a Paris Aligned Benchmark ('PAB'). PAB minimum standards include, but are not limited to, a set of baseline exclusions and a 75 minimum year-on-year decarbonisation pathway as defined by the EU Climate Benchmark Regulations. The decarbonisation pathway aims to reduce the carbon intensity over time. This rate is in line with the Intergovernmental Panel on Climate Change forecasts.

Our Climate Plan surpasses PAB minimum standards by decarbonising at a rate of 10% year-on-year, but also excluding fossil fuel companies and companies identified as involved in unsustainable palm oil, weapons, gambling and environmental controversies.

PensionBee's Investment Committee assists the Board in discharging its responsibility for oversight of PensionBee's investment proposition, including the selection or change of asset managers and the performance and ESG profile of our plans. The Investment Committee oversees the Target Review Process, monitoring and taking action on any changes that may impact our ability to meet our interim and long-term emissions targets.

Our full set of Company policies are reviewed annually and include the Environmental, Social and Governance Policy, which can be found on the Company's website.

In 2024, we expanded disclosure of our indirect GHG Scope 3 emissions to look at Categories 1 to 14. Of those categories relevant to the Company's products and services, these new emissions only represent 1.36% of the Company's total Scope 3 emissions (the rest being Category 15, from our UK investment plan range). Please see pages 67 and 68 (section 4.2 Emissions) for further detail. We have also taken steps in our direct operations to reduce waste and to increase our use of renewable electricity, as well as conducting a quarterly internal energy audit, and adopting our Responsible Supplier Policy and Code of Conduct.

2.3 Resilience of PensionBee Strategy to Climate Change

As an online pension provider primarily using cloud-based technology, PensionBee has maintained its relatively small environmental footprint in 2024. We now have two small offices, in London and New York, but offer fully flexible, remote working to employees and continue to be a paperless pension provider with Cloud-based servers.

Our efforts in 2024 were focused on gaining a better understanding of the Scope 3 emission categories that are material to our business. In addition to Category 15 (Investments) we have identified Category 1 (Purchased Goods and Services), Category 3 (Fuel and Energy-related Activities, not included in Scope 1 and 2), Category 5 (Waste Generated in Operations), Category 6 (Business Travel), Category 7 (Employee Commuting), and Category 11 (Use of Sold Products) as being relevant to our business.

Category 11 (Use of Sold Products) and web-based app emissions measurement is still a newly emerging area. Due to a lack of standardised industry methods for measuring the emissions of apps we have decided to wait another year for a more accurate approach. Additionally, the footprint of this category is relatively insignificant compared to the rest of PensionBee's activities. We will enhance our data quality over time as industry standards evolve.

¹⁵⁰ See pensionbee.com/uk/esg-policy for full details on screening by plan.

¹⁵¹ Fully screened plans include: Tailored, Tracker, Fossil Fuel Free, Pre-Annuity, Impact, and Preserve Plans. The 4Plus Plan's underlying SSGA funds are fully screened for thermal coal, however, as the fund has an actively managed component the managers have discretion to use unscreened third party funds to meet the objective. The Shariah Plan is not screened for thermal coal as the objective of the plan is to invest in line with Islamic values.

Scope 3 Assessment Boundary - GHG Protocol

The table that follows demonstrates the GHG Protocol scope categories included within the assessment. This includes a description of the operations included within the assessment, and reasons why we excluded various scope categories.

Scope	Scope Category	Included within Assessment	Description
3	3.1 Purchased goods and services	Y	These emissions are associated with the purchase of marketing, technology, consulting, and finance services. Additionally, emissions associated with the sponsorship of Brentford Football Club have been included.
	3.2 Capital goods	N	PensionBee has no capital goods.
	3.3 Fuel and energy-related activities	Y	These emissions accounting for the London office's 2023 energy consumption have been included in the GHG assessment boundary.
	3.4 Upstream transportation and distribution	N	PensionBee has no upstream transportation or distribution.
	3.5 Waste generated in operations	Y	All waste generated in operations at the London office has been calculated in this assessment.
	3.6 Business travel	Y	Air travel, hotel stays, train travel and road travel have all been included in this calculation.
	3.7 Employee commuting	Y	The calculation includes emissions associated with the commuting of PensionBee employees.
	3.8 Upstream leased assets	N	PensionBee has no upstream leased assets.
	3.9 Downstream transportation and distribution	N	PensionBee has no downstream transportation or distribution.
	3.10 Processing of sold products	N	PensionBee has no processing of sold products.
	3.11 Use of sold products	N	PensionBee has excluded sold products from its GHG inventory for 2023 due to a lack of standardised industry methods for measuring the emissions of app data and also the category's immateriality relative to the emissions from PensionBee's activities.
	3.12 End-of-life treatment of sold products	N	PensionBee has no end-of-life treatment of sold products.
	3.13 Downstream leased assets	N	PensionBee has no downstream leased assets.
	3.14 Franchises	N	PensionBee has no franchises.
	3.15 Investments	Y	These emissions associated with PensionBee's investment portfolio have been calculated using a methodology outlined by Verco.

In 2023, we took our first step towards our commitment to achieve net zero emissions across the entire business by 2050, a goal which would support both the UK's net zero target for 2050 as well as global efforts to achieve a societal transition to a low carbon economy. In order to achieve this, we committed to setting interim targets, which are detailed in Section 4.3 below.

In 2024, we continued to build the resilience of our overall strategy to climate-related issues under different future scenarios, and how we may need to adapt to meet the challenges of each. As noted above, given PensionBee's limited direct environmental footprint, we focused specifically on the Scope 3 emissions within our default plan, the PensionBee Tailored Plan, managed by BlackRock. The Tailored Plan represents a substantial majority of our asset base and, given its global market-oriented asset base, is a reasonable proxy for asset exposures within our other plans as well.

We recognise that the key climate-related risks and opportunities identified, particularly over the medium and long-term time horizons, are highly dependent on assumptions made regarding the ways in which climate-related issues will manifest over the coming years. We therefore worked with BlackRock to consider three scenario types, based on internal BlackRock models:

- 'Orderly transition' scenarios, which assume climate policies are introduced early and become gradually more stringent, reaching global net zero CO₂ emissions around 2050 and likely limiting global warming to below 2°C on pre-industrial averages.
- 'Disorderly transition' scenarios, which assume climate policies are delayed or divergent, requiring sharper emissions reductions achieved at a higher cost and with increased physical risks in order to limit temperature rise to below 2°C on pre-industrial averages.
- 'Hothouse world' scenarios, which assume only currently implemented policies are preserved, current commitments are not met and emissions continue to rise, with high physical risks and severe social and economic disruption and failure to limit temperature rise.

In the above scenarios, transition risk is defined as the risk to the value of an asset as a result of the transition to a lower carbon economy (i.e. the risk due to the potential changes to the economy from such a transition). Physical risk is defined as the risk to the value of an asset as a result of change to the physical environment from climate change.

Following the industry's common practice in climate regulatory reporting, the 'hothouse world' scenario was defined as the counterfactual base case which assumes no future transition and therefore no associated transition risk; this scenario is assumed to be fully priced into markets and therefore represents no additional risk to valuations. This scenario does have potential physical climate risk, as defined above, and so we report transition risk for the 'orderly transition' and 'disorderly transition' scenarios, and physical risk for the 'hothouse world' scenario.

Assets within the Tailored Plan were classified as 'high-risk', 'medium-risk' or 'low-risk' depending on how the companies today are exposed to the different scenarios within BlackRock's underlying proprietary climate risk models. The model assumes there are no new business segments in an individual company's response to the transition and so the modelled response takes into account the behaviour and structure of issuers as currently configured without any changes to their activities. In addition to this, similar to any model, assumptions and the quality of data inputs may pose limitations to the accuracy and precision of the scenario outcomes.

The analysis showed what proportion of the portfolio is classified within each category, with the categories defined based on the modelled risk to the valuation of the business within each scenario. The 'high-risk' category contains assets that are estimated to be at risk of a 50% reduction or greater to their current valuation if the assumptions of the model transpire. The medium-risk category contains assets with a risk to valuation between 10% and 50%, and low-risk contains the remaining assets. None of the assets in Tailored were classified as 'high-risk' and the overwhelming majority of assets were classified as 'low-risk'.

PensionBee's new default solution will bring additional carbon emissions reduction from 2025 onwards. So when considering the upper estimate of risk to valuation in the 'low-risk' category, which is 10%, the overall valuation risk to assets and by proxy, the PensionBee investment plans overall, is approximately 10%.

PensionBee's Finance team has considered the impact on PensionBee's Revenue of a 10% reduction in valuation in PensionBee's overall asset base. PensionBee's Revenue is almost entirely derived from fees earned on its Assets under Administration and is therefore sensitive to changes in market valuations. Because the exact nature of the climate transition is unknown, PensionBee also considered the impact of a 20% reduction in valuations for prudence. The impact of a 10% and 20% reduction in valuations would be to reduce PensionBee Revenue by 7.5% and 15% respectively.

3. Climate Risk Management

Climate Risk is defined as the risk of negative impact of climate change or its broader economic, financial and societal consequences on the Company, or the Company's failure to meet sustainability requirements from a commercial, regulatory and stakeholder perspective. Climate Risk is one of PensionBee's Principal Risks, which are set out on pages 70 to 77 of the Managing our Risks section of the Strategic Report.

Climate Risk drivers can be grouped into categories of sub-risks relevant to PensionBee:

- Business Continuity Risk: Climate-related physical damage to facilities/equipment or impact on staff materially affecting the ability to conduct critical business activities.
- Compliance Risk: Failure to adapt to the changing regulation and disclosure requirements associated with climate change.
- Liability Risk: Liability resulting from changes in climate-sensitive investment exposures or failure to communicate our climate change strategy and targets.
- Third Party Supplier Risk: Disruption of business activities due to supply chains/critical third party provider services being impacted by climate-related events.

3.1 Risk Identification and Assessment

Climate Risk management is a part of our comprehensive risk management framework. The framework components ensure adequate identification, management and communication of climate risks as they arise so that decisions can be made on a timely basis.

Climate risks facing the business are managed within the Low risk appetite level set by the Board. The Board confirms its risk appetite for Principal Risks in the Audit and Risk Committee as a part of its review of the Risk Governance Framework, twice a year. For most risks, risk appetite is Low. The assessments against the Board's risk appetite are based on an analysis of the impact, likelihood and internal controls related to climate risks.

Further details about the PensionBee risk management process are set out on pages 70 to 77 of the Managing our Risks section of the Strategic Report.

3.2 Active Asset Ownership at PensionBee

PensionBee is an active asset owner, supporting well-framed environmental and social resolutions that seek to promote good corporate citizenship while enhancing long-term shareholder and stakeholder value, in line with ISS's Socially Responsible Investment ('SRI') voting policy. From December 2024, 94% of the PensionBee asset base was voted according to this policy.¹⁵² Under the SRI policy, climate risk mitigation requires investee companies that are significant greenhouse gas ('GHG') emitters to demonstrate they are taking minimum steps to be aligned with a net zero by 2050 trajectory, or risk a routine vote against their incumbent responsible committee chair or other directors. Expectations include publishing a TCFD statement, a net zero by 2050 target and setting medium-term targets for reducing GHG emissions. The SRI policy can also vote against directors owing to material ESG failures, including a failure to adequately manage or mitigate ESG risks.

We have a history of working with other institutional investors to publicly endorse climate-related environmental resolutions, including those associated with risks of new fossil fuel financing. We work in coalition with investors who share an ambition to mitigate climate risk in investee companies and as part of a broader movement to increase transparency for and accountability to shareholders in the system. We also do this as part of our vision to live in a world where everyone can enjoy a happy retirement.

¹⁵² Reflects 94% of the Assets under Administration across the Tailored, Climate, Tracker and 4Plus investment plans as at 31 December 2024. See definitions on page 45 of the Measuring our Performance section of the Strategic Report.

3.3 Management and Response

Further details are set out on pages 70 to 77 of the Managing our Risks section of the Strategic Report.

4. Metrics & Targets

4.1 Metrics

PensionBee tracks a number of metrics in order to measure and manage exposure to climate-related risks and opportunities.

These currently include energy and emissions as part of our SECR reporting obligations, our TCFD reporting and our public commitment to achieve net zero emissions by 2050.

The range of portfolio metrics (and units) we used for reporting in 2024 were:

- Weighted Average Carbon Intensity ('WACI') (tonnes CO₂e per \$m Revenue)
- Carbon Footprint (tCO₂e / \$m Invested)
- Carbon Intensity (tonnes CO₂e per \$m Invested)
- Absolute Carbon Emissions (Scope 1 and 2) (tonnes CO₂e)

For our Scope 1 and 2 operational emissions we use an absolute emissions metric (tonnes CO₂e), as per the SECR guidance.

For Scope 3 (Categories 1-14 GHG Protocol) emissions reporting, we are disclosing relevant categories on a voluntary basis to enhance our emission reporting transparency. For these categories, we use tCO₂e as the metric to provide a standardised measure as it allows emissions from different sources to be expressed on a common scale.

For Scope 3 (Category 15 GHG Protocol) emissions reporting, TCFD recommends that asset owners and asset managers disclose the WACI of their portfolios in tCO₂e / \$ million Revenue. In accordance with the guidance we continued to use this metric for our second year of Scope 3 emissions reporting. This year we have also begun disclosing Carbon Footprint and Absolute Carbon Emissions metrics for Scope 3, as the availability and accuracy of data from our money managers has continued to improve.

We are committed to ensuring that we use the most up to date and relevant calculation methodologies as climate science for our sector, as it evolves. Our metrics are reviewed regularly as part of our Target Review Process, which is overseen by the Board.

4.2 Emissions

Scope 1 and 2 Emissions

GHG Emissions	2021		2022* Base Year		2023		2024	
	Tonnes CO ₂ e	tCO ₂ e / £m Revenue ¹⁵³	Tonnes CO ₂ e	tCO ₂ e / £m Revenue ¹⁵⁴	Tonnes CO ₂ e	tCO ₂ e / £m Revenue ¹⁵⁵	Tonnes CO ₂ e	tCO ₂ e / £m Revenue ¹⁵⁶
Scope 1 ¹⁵⁷	-	-	-	-	-	-	-	-
Scope 2 GHG Emissions (location-based) ¹⁵⁸	8.36	0.64	12.07	0.67	9.91	0.42	9.30	0.28
Scope 2 GHG Emissions (market-based) ¹⁵⁹	-	-	-	-	-	-	-	-

Scope 3 (Categories 1-15 GHG Protocol) Emissions

	2023 (tCO ₂ e)	2023 (%)
Category 1: Purchased Goods and Services	2,139	1.35%
Category 3: Fuel- and Energy-Related Activities (Not Included in Scope 1 or Scope 2)	3.2	0.002%

¹⁵³ 2021 Revenue of £12.8m.

¹⁵⁴ 2022 Revenue of £17.7m.

¹⁵⁵ 2023 Revenue of £23.7m.

¹⁵⁶ 2024 Revenue of £33.2m.

¹⁵⁷ Scope 1 being emissions from the Company's combustion of fuel and operation of facilities. PensionBee generates no Scope 1 emissions.

¹⁵⁸ Scope 2 being electricity (from location-based calculations), heat, steam and cooling purchased for the Company's own use.

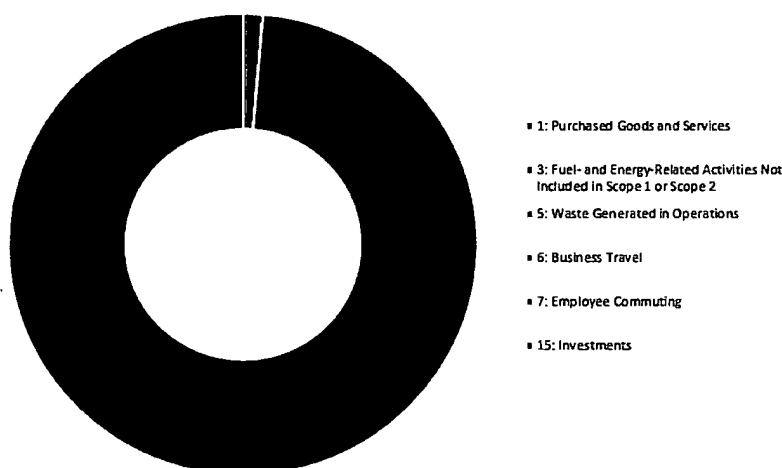
¹⁵⁹ Scope 2 being electricity (from market-based calculations), heat, steam and cooling purchased for the Company's own use.

Category 5: Waste Generated in Operations	1.1	0.001%
Category 6: Business Travel	12.9	0.008%
Category 7: Employee Commuting	1.0	0.001%
Category 15: Investments	156,963	98.64%
Total	159,121	100%

Scope 3 (Category 15 GHG Protocol) Emissions

	2019* Base Year	2022	2023
Weighted Average Carbon Intensity (tCO ₂ e / \$m Revenue)	178.4	121.3	76.9
Carbon Footprint (tCO ₂ e / \$m invested)	-	-	125.4
Absolute Carbon Emissions (tCO ₂ e)	-	-	156,963

Summary of PensionBee's Scope 3 Emissions Categories



4.3 Targets

We began reporting our Scope 1 and 2 absolute emissions in 2021. In 2022, we moved into new long term office premises in the UK, so we have used this as our base year. In 2024, our operational emissions globally were 9.30 tCO₂e. This encompasses purchased electricity for leased office space. PensionBee generates no Scope 1 emissions. Notwithstanding our increase in global office space, we've continued to make progress towards our Scope 1 and 2 targets in 2024.

For Scope 3 (Category 15 GHG Protocol) emissions, we used 2019 as our base year, to mirror the base year for our default plan Tailored, representing the vast majority of our asset base. We back-cast emissions data to 2019 from other plans to obtain Scope 3 emissions for 97% of the asset base by Assets under Administration ('AUA') value, against a target ambition of 90% coverage. Base year metrics were calculated on fund holdings as of 31 December 2019. In 2019, our scope was 97% of Scope 3 (Category 15) emissions by AUA value and the baseline WACI value was 178.4 tCO₂e / \$m Revenue.

As a result of the lag in asset managers obtaining emissions data from third party providers, we continue to report Scope 3 emission data one year in arrears. In 2023, our Scope 3 (Category 15) emissions were for 97% of the portfolio by AUA value and our WACI value was 76.9 tCO₂e per \$m Revenue, a marked decrease from 2022. Additionally we've introduced two new metrics, Carbon Footprint (tCO₂e / \$m invested) and Absolute Carbon Emissions (tCO₂e) for 2023. We've added these in to start to move away from a reliance on WACI as our sole metric for Scope 3 data, as WACI is sensitive to market movements.

In 2023, PensionBee set near-term (interim) targets for 2030 and long-term net zero targets for 2050. These targets are aligned with the Paris Agreement and are consistent with emissions reductions required to keep warming within 1.5°C by 2100. We remain committed to tracking our progress and targets and adjusting them as needed to ensure these targets are met.

Near-term (interim) Targets for 2030

PensionBee has committed to reducing Scope 1 and 2 GHG emissions 38% by 2030 from a 2022 baseline. Our near-term target for Scope 1 and 2 emissions by 2030 is 7.5 tCO₂e.

The Company has also committed to reducing Scope 3 (Category 15) emissions associated with the investment portfolio by 50% by 2030 from a 2019 baseline. Our near-term target for WACI is 89.2 tCO₂e / \$m Revenue by 2030.

Long-term ('net zero') Targets for 2050

PensionBee has committed to achieving a long-term Paris-aligned reduction in GHG emissions across all operations and investments.

To achieve this, PensionBee will reduce Scope 1 and 2 GHG emissions by 90% by 2050 from a 2022 baseline. Our long-term target for Scope 1 and 2 absolute emissions by 2050 is 1.2 tCO₂e.

The Company will also reduce Scope 3 (Category 15) emissions associated with the investment portfolio by 90% by 2050 from a baseline of 2019. The long term target for WACI is 17.8 tCO₂e / \$m Revenue by 2050.

Target Detail 2030

Target element	Scope 1 and 2	Target element	Scope 3 (Category 15)
Base year	2022	Base year	2019
Target year	2030	Target year	2030
Metric	Absolute emissions	Metric	WACI
Baseline value	12.07 tCO ₂ e	Baseline value	178.4 tCO ₂ e/\$mn revenue
Target value	7.51 tCO ₂ e	Target value	89.2 tCO ₂ e/\$mn revenue
Target ambition	37.8%	Target ambition	50%
Coverage	100%	Coverage	97%

Target Detail 2050

Target element	Scope 1 and 2	Target element	Scope 3 (Category 15)
Base year	2022	Base year	2019
Target year	2050	Target year	2050
Metric	Absolute emissions	Metric	WACI
Baseline value	12.07 tCO ₂ e	Baseline value	178.4 tCO ₂ e/\$mn revenue
Target value	1.21 tCO ₂ e	Target value	17.8 tCO ₂ e/\$mn revenue
Target ambition	90.0%	Target ambition	90%
Coverage	100%	Coverage	97%

Commitment to Review

The Company has also made a commitment to review target ambition and metrics regularly (at least every five years) to ensure that we remain aligned with the best understanding of the science required to achieve 1.5°C limited warming by 2100. This forms the basis for our Target Review Process, which is overseen by the Investment Committee and our Board (refer to Section 1.1 for more details)

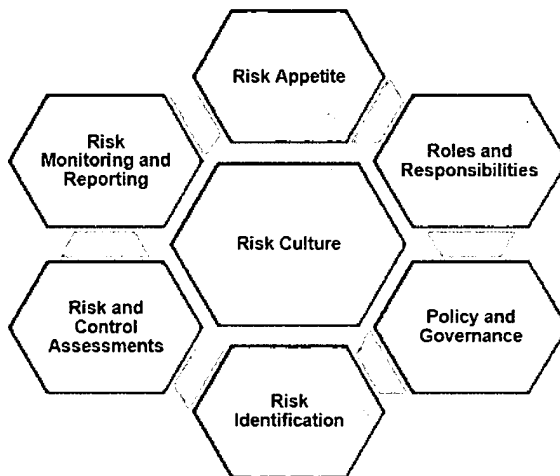
13 Managing our Risks

Risk Management Framework

PensionBee maintains a comprehensive risk management framework, with risk management acknowledged as the collective responsibility of all employees. It puts in place the structure and processes required to ensure that the risks assumed in the execution of our strategy are understood and managed across the Company within the acceptable levels set by the Board, and that the Company meets its obligations to key stakeholders including customers, employees, shareholders, regulators and broader society.

The components of the risk management framework are designed to ensure adequate identification, communication and management of risks as they arise, so that decisions can be made on a timely basis. It also enables a proactive, forward-looking risk management approach focused on identifying any emerging risks and preventing them from materialising. The diagram below captures the main framework components.

As the Company continues to expand, we are committed to evolving the risk management framework while promoting simplicity, honesty and quality, in line with our Company values. During 2024, this included continuing to embed the risk roles and responsibilities, expanding the risk management knowledge across the Company, fostering collaboration across departments as we promote the new 'Resilience' pillar of our strategy, and systematically rolling out the risk management capabilities across our US operation to ensure that all entities operate within the Board's risk appetite while we support our rapid and controlled growth.



Risk Culture

The mindset and behaviour of all individuals and departments inside the Company play a crucial role in the execution of the Company's risk management strategy. Risk culture is considered to be the backdrop against which the actual risk management practice takes place. The PensionBee culture and values are our most fundamental tools for effective risk management. Our global operation now also means mindfully navigating unique challenges stemming from cultural differences and complexities.

Our Executive Management Team and our Board promote risk awareness, transparency and accountability, with emphasis placed on the timely identification, escalation and reporting of risk. They ensure that the employees understand our approach to risk management and that everyone is held accountable for behaviours and actions that support our unique risk culture.

Keeping our employees informed and providing adequate training has enabled everyone to take responsibility for the risk within their respective areas of work. In addition to the onboarding training and the mandatory Company-wide annual risk and compliance training, programs such as team-specific training and Company-wide targeted refreshers were rolled out across the year.

Through the continuous strengthening of our risk culture, we reinforce individual and collective risk management roles and responsibilities and promote both challenge and collaboration.

Risk Appetite

The Board expects the Company to be able to manage its operations with no material disruptions to its core services and no material adverse impact on its ability to carry out its obligations to customers and other key stakeholders. It therefore expects the risks to be managed in a proactive and robust manner, within the Board's risk appetite.

The risk appetite is set by the Board, and the Risk Appetite Statements are formalised within the Risk Governance Framework ('RGF') which serves as the corporate point of reference for the underlying principles of PensionBee risk management. The RGF is reviewed by the Board twice per year to ensure any changes in the external environment, internal operational processes or the Company's business strategy are reflected.

In consideration of our customers, other stakeholders and given the public nature of PensionBee, the Board's risk appetite can broadly be described as Low. A higher risk appetite is adopted for the specific Level 2 sub-risks (which are the more granular risk categories that sit below Principal Risks), generally where a risk arises as a function of the business model. The Board continues to closely monitor progress with the risks and mitigations.

Roles and Responsibilities

PensionBee risk management roles and responsibilities are defined to facilitate transparent risk management practices and proactive risk management processes across the Company. The Company adopts the 'Three Lines of Defence' model which ensures adequate checks and balances are in place to enable the Company to operate in a risk efficient manner, within the risk appetite set by the Board.

The Board has overall responsibility for the risk management framework and for ensuring that an adequate system of internal controls is maintained, which is appropriate for the Company's business and the risks to which it is exposed. The Audit and Risk Committee assists the Board with the oversight of all risk management activities.

This Three Lines of Defence model adopts the segregation of risk management activities and reporting lines, and it incorporates additional external assurance from reputable third parties. The key responsibilities are described below.

First Line of Defence

All individuals and departments in the Company are considered to be the First Line of Defence, responsible for adhering to internal policies and applicable regulatory requirements while performing their business activities. The First Line is accountable for identifying and managing risks, and for designing and operating an effective system of internal controls. All employees are expected to maintain effective controls of their activities and to escalate any new risks, incidents or suspicious activity promptly. Department heads manage day-to-day business operations in accordance with internal policies and departmental procedures, and promote PensionBee risk culture.

Second Line of Defence

The Second Line of Defence consists of our Risk Management and Second Line Compliance Teams, as well as the Second Line oversight committees (the Risk Stakeholder Group and the Information Security Committee).

The Risk Management Team is responsible for maintaining the Company's risk framework and for oversight of the First Line's risk management activities. This includes assurance on the risk assessments, monitoring the adequacy of controls and tracking completion of any required control improvements. The Risk Management Team also manages the policy framework and oversees the First Line's annual policy reviews. They report on the risk profile and on adherence to the Board's risk appetite.

The Second Line Compliance oversees all matters related to regulatory compliance. This includes ensuring that the Company has proportionate, risk-based internal policies, embedded to enable compliance with all applicable regulatory requirements. They work with First Line to ensure that business changes are implemented in line with regulation, advise on regulatory developments, and promote awareness of financial crime and Consumer Duty related risks.

Third Line of Defence

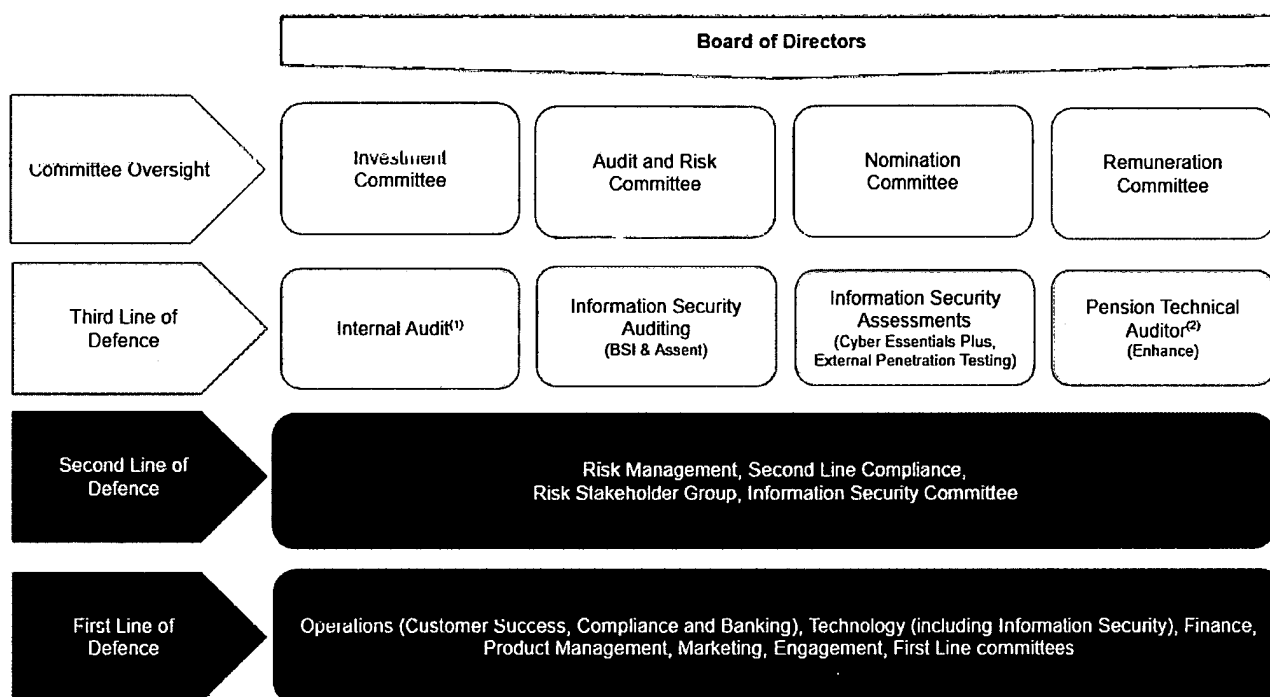
External assurance providers performing independent reviews of our strategy, systems and processes are considered to be the Third Line of Defence. These external parties provide the Board with additional assurance over the effectiveness of the risk framework. They are appointed based on their sector expertise, for example, investment management, finance, regulatory compliance and information security expertise. The Audit and Risk Committee is kept up to date with the progress and outcome of these reviews, and the assurance providers' ultimate duty is to the shareholders.

Parties currently appointed to provide external assurance are shown in the governance diagram below. In addition, we have appointed an outsourced Internal Audit function, with a direct reporting line to the Audit and Risk Committee. The Internal Audit function became effective at the start of 2025 and is tasked with utilising a risk-based prioritisation approach to evaluate and report on the Company's risk management, internal controls, governance and operational effectiveness.

Policy and Governance

The overarching governance structure is designed to ensure the Board oversees the risk management effectiveness. As set out in the following diagram, the Board has established four sub-committees ('Committees') to assist it with the oversight of the Company. Each Committee is chaired by a Non-Executive Director. All Board members, select members of the Executive Management Team and the Company Secretarial function attend Committee meetings. The Chair of each Committee may also request a private meeting with the Second Line of Defence or the external assurance parties if required.

The Company maintains a set of internal policies which are reviewed annually. The Company policies are a set of internal requirements that establish the rules for the Company and help our employees to understand their responsibilities. Where relevant, procedures are also documented that describe the operational processes necessary to implement and comply with the policies. All employees are required to adhere to the Company policies at all times.



⁽¹⁾ Outsourced Internal Audit function, appointed in November 2024 and effective in 2025.

⁽²⁾ A pension technical auditor specialises in auditing pension schemes, ensuring they comply with regulations.

Risk Stakeholder Group

The Risk Stakeholder Group ('RSG') which meets monthly, consists of the Executive Management Team, the SVP Information Security, the Head of First Line Compliance, the Head of Second Line Compliance, the US General Manager, and other senior managers as required. The RSG discusses the status of the Company's risk profile, internal control effectiveness, incident status and trends, audit findings and progress with the risk and resilience initiatives. All materials and minutes of the RSG meetings are shared with the Board. The RSG welcomes visits by Board members who periodically observe the meetings and share their insights.

Information Security Committee

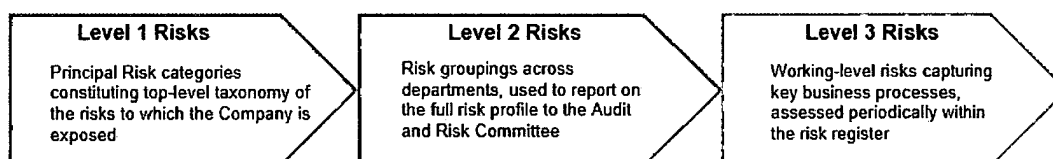
The Information Security Committee ('ISC') meets three times a year and provides oversight of the effectiveness of the Information Security Management System ('ISMS') including processes, risks and controls. The primary aim of the ISC is to ensure compliance with the ISMS, which is certified to the ISO27001:2022 information security standard, and to ensure continuous improvement. The Chief Executive Officer, Chief Financial Officer, Chief Risk Officer, Chief Technology Officer ('CTO') and the SVP Information Security are members of the ISC.

Risk Identification

PensionBee is focused on proactive risk management in accordance with the PensionBee Risk Management Policy, which contains specific requirements set to ensure the risk profile is managed within the Board's risk appetite. The Board, including via the work of the Audit and Risk Committee, periodically reviews the Company's principal and emerging risks.

All risks identified so far to which the Company is exposed are systematically documented and periodically evaluated. A comprehensive risk register contains the risk details underlying all of our Principal Risks: Information Security, Operational, Financial, Regulatory, Strategic and Climate Risks.

The risk taxonomy sets out Principal (or Level 1) Risk categories to which the Company is exposed. Periodic risk and control reporting is aligned to Level 2 of the taxonomy, which enables the Board's oversight of the full risk profile. The risk and control assessments are completed at a more granular Level 3 risk level. During 2024, the risk assessments were performed for 151 Level 3 risks, enabling consolidated reporting on the full risk profile across 43 Level 2 risk categories.



Risk and Control Assessments

The risk assessments are performed during our comprehensive annual Risk and Control Self Assessment ('RCSA') process, or more frequently if any changes in the risk profile are identified. The purpose of the RCSA process is to enhance risk awareness, improve control effectiveness, strengthen operational efficiency and organisational resilience, and to support our strategic decision-making.

The risk assessments are performed by the First Line, with independent assurance provided by the Second Line, taking into consideration the internal control environment and any changes in the external factors including political, economic, social, technological, legal and environmental.

The risks are evaluated on an inherent and residual basis (i.e. before and after taking into account the existing controls and mitigating factors) in order to understand the effectiveness of controls. The risk ratings are assigned based on their estimated likelihood and potential impact, in accordance with the PensionBee quantification matrix, which is reviewed by the Board twice per year. Periodic risk reporting throughout the year uses risk appetite as a benchmark. This way each risk is assessed as either 'within' or 'outside' of risk appetite.

During 2024, the RCSA process provided valuable insights into the current risk and control landscape. The key controls were assessed for their design and operational effectiveness and were found to mitigate material risks as intended. Due to the dynamic nature of risks we face, including Cyber and Financial Crime Risks, where any room for improvement has been identified, this has either been remediated or is in the process of being addressed.

Risk Monitoring and Reporting

The Risk Management Team periodically reports on the status of PensionBee's risk profile. A risk report ('Monthly Risk Review' or 'MRR') includes an analysis of top risks, an overview of control improvement activities, the results of Second Line assurance, the status of internal policy reviews and regulatory reporting, incidents root cause and trend analysis, a summary of change management activities, and updates on other risk and resilience initiatives. The MRR is presented to the RSG and is shared with the Board monthly.

The MRR includes Information Security risks and updates on progress with information security related assurance activities such as ISO surveillance audits, the Cyber Essentials certification scheme and penetration testing. The ISC expands on this in detail and reviews progress with the information and cyber security programme.

In addition, the Risk Management Team produces a risk report which is presented in each Audit and Risk Committee meeting. This enables the Committee to periodically review the entire risk profile of the Company, with discussions held during the meetings about control improvements for any risks which are assessed as being outside of the Board's risk appetite.

Risk Systems

Risk management systems play a crucial role in enabling us to proactively manage risks while aligning risk-taking with the Board's risk appetite and the Company's objectives. They allow us to systematically manage risks while supporting our growth by helping to manage uncertainty.

During 2024, the Company continued to evolve its use of RiskSmart, our governance, risk and compliance software. In addition to supporting the internal policy management and RCSA processes, we are working to expand the use of RiskSmart to cover regulatory compliance monitoring and third party risk management.

The interconnected modules and automated workflow within RiskSmart reduce the likelihood of overlooking critical risks and facilitate a risk-aware culture across all departments and levels. Plans for 2025 also include improvements in the user interface and enhancements to risk reporting as the software integrates with other PensionBee systems.

Information Security Risk Management

In 2024, the BeeSecure Information Security Strategy demonstrated maturity, reflecting our ongoing commitment to safeguarding our digital assets and maintaining robust cyber resilience. A key achievement was the successful transition of our ISO 27001 ISMS to the updated 2022 framework, underscoring our dedication to maintaining compliance with the latest industry standards.

As we look to 2025, we have refreshed and updated the strategy to align with evolving security challenges and best practices. This enhanced approach incorporates the adoption of a 'Zero Trust' security model, which will further elevate our information security posture. By shifting from implicit trust to a 'never trust, always verify' framework, Zero Trust offers high-level benefits including strengthened protection against sophisticated cyber threats, enhanced visibility, improvements to IT support and improved risk management. This proactive framework ensures that sensitive data and systems are secured, regardless of the location, positioning PensionBee to confidently navigate the dynamic cybersecurity landscape on a global scale.

Information Security Framework and Governance

The SVP Information Security is responsible for the ISMS, which includes the delivery of the BeeSecure Zero Trust programme. This is overseen by the CTO, who has ultimate accountability for information security at PensionBee.

The ISC provides oversight and assurance, reporting the outcome of committee discussions to the Board. Security metrics in the form of key performance indicators ('KPIs') are reviewed by senior stakeholders at the ISC, and are used to measure the progress of the ISMS against its objectives to ensure we remain focused on continuous improvement.

PensionBee maintains a comprehensive ISMS, which is certified to the internationally recognised ISO 27001 information security standard. In 2024 we completed a successful transition to the ISO27001:2022 framework. We also hold the Cyber Essential Plus ('CE+') certification, which relates to a government-backed scheme that helps to improve cyber security controls.

Information Security Culture

The security training and awareness programme is delivered in different forms, including via interactive training, regular notifications of significant data breaches across the globe, and personalised classroom training which includes plausible cyber incident scenarios.

The Information Security Team conducts regular email phishing exercises across the Company. The results are reported to the ISC as well as at Company-wide Show N Tell meetings to ensure transparency and visibility to all employees. As a result, we have seen the email phishing campaign fail rate remain within our Low risk appetite in 2024.

In addition, the Executive Management Team participated in the bi-annual cyber breach exercises to test and refine the Company's cyber response plan.

Data Security and Privacy Controls

The security of our online application and ensuring that our customers' personal data is well-protected are of paramount importance. The data is protected at rest, in transit and in use, through a defence-in-depth approach.

All communications and the flow of data between our customers' browsers and our website is secured using 128-bit TLS encryption, to ensure that only people authorised to view personal information can do so. Information is stored in secure databases, and data segregation between systems is also in place. All data centres are compliant with multiple internationally recognised standards and information security frameworks such as ISO 27001, SOC 2 Type II, UK Cyber Essentials Plus, NIST and PCI DSS.

Customers are additionally protected from identity fraud and account compromise using a variety of techniques including digital customer identity verification, which incorporates a cutting-edge facial similarity check and bank account verification. PensionBee also implemented multi-factor authentication which is mandatory for all customers.

Resilience

Our resilience framework enables us to prepare for and prevent possible adverse events, withstand their impact and recover from their effects. Our internal policies and procedures are designed so that we can adapt to the changing conditions and take prompt and informed decisions with confidence.

During 2024, we continued to embed a holistic resilience approach in line with the Resilience Pillar of our strategy. A set of risk and resilience-focused policies is in place to manage our ability to prevent, adapt to, respond to, recover and learn from operational disruptions. This includes the Risk Management, Information Security, Incident Management, Business Continuity, Third Party Management and Change Management Policies.

Our business continuity and cyber breach exercises were successfully conducted during the year. They simulated the disruption of key IT systems in order to ensure we can continue to provide the service to our customers under stress. These drills included testing of the incident escalation process, internal and external communication protocols, supplier management capabilities, and IT systems and service restoration.

The PensionBee Third Party Management Policy has been embedded globally by establishing a centralised process for identification, customised due diligence and approval of new third parties, with 2025 plans to implement an automated workflow within RiskSmart covering the full third party lifecycle.

We continued to evolve our change management process by performing an in-depth Second Line review and expanding our Change Management Policy, to ensure all changes are implemented in a structured and controlled manner. The improvement areas include: centralised governance, project management, product development process, and regulatory compliance oversight.

We also remained focused on evolving our data governance framework. An independent review found that PensionBee has established a solid foundation for data governance, incorporating key policies and practices that align with industry standards. These elements are crucial for ensuring data integrity, security and effective management across the Company. A two-year roadmap was established to guide us to further enhance data governance, ensuring sustainable growth.

2025 Risk Management Plan

Our risk management function continues to foster the Company's forward-looking risk management approach, anticipating potential risks and uncertainties while managing them proactively to ensure business continuity, compliance and resilience. The 2025 risk management plan, focused on resilience, scalability and efficiency, has been approved by the Audit and Risk Committee.

Over 2025, we will continue to embed the risk management and resilience capabilities and enhancements systematically and consistently globally, ensuring the Company continues to operate within the Board's risk appetite, while supporting the initial rapid growth phase in the US.

At the start of 2025, we will onboard an outsourced Internal Audit function, which will provide additional independent assurance over the effectiveness of risk management, internal controls, governance processes and operational effectiveness across the Company.

Most importantly, we will continue to strengthen our risk culture to reinforce individual and collective risk awareness and responsibility across all aspects of the Company.

Principal Risks and Uncertainties

Principal Risks

We have identified six top-level risks which could potentially have a material adverse impact on the Company's business or long-term performance, and if not appropriately mitigated they could result in unfavourable public perceptions of the Company's business prospects and cause significant reputational damage. These risks could arise from internal or external events, acts or omissions. The risks summarised below do not purport to be exhaustive, as there may be additional risks that the Company has not yet identified or has deemed to be immaterial.

Regulatory Risk

Our business is subject to risks relating to changes in government policy and applicable regulations. Whilst we have historically been beneficiaries of favourable regulatory changes, any regulatory changes which are negative for our business could have a material adverse effect on our business prospects.

PensionBee's operations are subject to regulation from the Financial Conduct Authority ('FCA') and relevant rules and guidance from HMRC and the Information Commissioner's Office ('ICO') in the UK. In the US, PensionBee Inc. is subject to regulation from the Securities and Exchange Commission ('SEC'). PensionBee Inc. also adheres to relevant Financial Industry Regulatory Authority ('FINRA') guidance and Department of Labor ('DOL') rules.

PensionBee may fail, or be held to have failed, to comply with regulations. Such regulations and approvals may change, making compliance more onerous and costly. If the regulators concluded that PensionBee had breached applicable regulations, this could result in a public reprimand, fines, customer redress or other regulatory sanctions.

In addition, we may be subject to complaints or claims from customers and third parties in the normal course of business. If a large number of complaints, or complaints resulting in substantial customer and third party related losses, were upheld against PensionBee, it could have a material adverse effect on our business and financial condition.

Information Security Risk

PensionBee faces various risks related to the confidentiality, availability and integrity of our IT systems.

We are required to handle confidential and personal data in compliance with strict data protection and privacy laws in the UK and US, including the Data Protection Act, GDPR, US state-specific data privacy and data protection requirements and applicable safeguarding regulations. The loss or misuse of data could result in a material loss of business, financial losses, regulatory enforcement actions and significant harm to our reputation. If our information security policies, procedures and processes relating to personal data are not fully implemented and adhered to by our employees, or if any of our third party service providers fail to manage data in a compliant manner, we could face financial sanctions and reputational damage.

Furthermore, our operations are susceptible to cyber crime and loss or theft of data. Failure to prevent such actions, including circumvention of our information security policies, procedures and processes, could result in financial losses, business interruption and unauthorised access or disclosure of personal data.

There is also a risk of ineffective controls, or control failures, that are in place to ensure our technology architecture is fit for purpose, including the infrastructure required to support applications, networking, hardware and software, resulting in our inability to meet the standards required to deliver to internal and external user expectations.

Operational Risk

During the regular course of business, we may be exposed to adverse financial or reputational impact due to inadequate or failed internal processes, people performance or IT systems, or due to third-parties or external events. Key operational process risks are linked to our customer service, banking, finance, marketing and change implementation. Operational Risk also includes our risks in the areas of human resource management, enterprise risk management and internal governance.

PensionBee is dependent on the third-party providers for the provision of asset management, banking and technology services. Any termination, interruption or reduced performance of the services provided by these third parties could negatively impact our business operation and have a material adverse effect on our reputation and profitability.

Our operational infrastructure and business continuity may be affected by other failures or interruptions, some of which are events beyond our control. Our systems and the systems of our third-party providers may be vulnerable to fire, flood or other natural disasters; power loss, telecommunications or data network failures; improper or negligent operation by employees or service providers; unauthorised physical or electronic access or other factors. There is no guarantee that our preventative measures would protect us from all potential damage arising from the events described above.

Financial Risk

Market Risk

Our business may be adversely affected by negative sudden or prolonged fluctuations in global capital markets. We generate the majority of Revenue in the form of fees charged on a recurring basis, calculated by reference to the value of our Assets under Administration. Our Revenue and profitability are therefore directly influenced by the health of the global capital markets. A deterioration in the global economy and a resulting decline in capital markets, or an increase in volatility, may have a negative impact on the value of our customers' pensions and their overall confidence to make new contributions or to consolidate new pensions into their PensionBee pension.

Credit Risk

PensionBee is dependent on third-party financial services providers for the provision of asset management and banking services. We are reliant upon these third parties for the safekeeping of our own and our customers' assets. A default by one of these third parties would have a material adverse effect on our reputation and financial position.

Strategic Risk

The pensions market is competitive and there is no guarantee that we will be able to continue to maintain the growth levels we have achieved to date, nor that we will be able to maintain our financial performance either at historical or anticipated future levels. Our competitors include a variety of financial services firms and our market is characterised by ongoing technological progression, including of the underlying infrastructure and user experience. There is no guarantee that we will continue to outpace our competitors. In addition, the pension market remains cost-sensitive and competitors could materially undercut our fees, thereby generating pressure on our revenues. Any failure to maintain our competitive position could lead to a reduction in revenue and profitability, as well as reduced future growth.

We are dependent upon the experience, skills and knowledge of our Directors and our Executive Management Team to implement our strategy. The loss of a significant number of Directors, Executive Management and/or other key employees, or the inability to recruit suitably experienced, qualified and trained staff as needed, may cause significant disruption to our business and the ability to achieve our strategic objectives.

Climate Risk

As climate change intensifies, dangerous weather events are becoming more frequent and more severe. More frequent and intense droughts, storms, heat waves, as well as the rising sea levels, melting glaciers and warming of the oceans, can directly harm life, reduce the value of assets and income streams, and wreak havoc on people's livelihoods and communities.

These significant shifts in the global climate have a potential to adversely affect our employees, customers and other stakeholders, and have broader implications on economic, social and cultural assets. Through impacting productivity growth, climate change can influence monetary policy, resulting in the changes in economic variables such as inflation, economic growth and employment. Any of these changes could in turn have a material adverse effect on our business and financial position.

Summary of Risks and Mitigations

Through the application of our robust risk management framework, we have taken the appropriate steps in order to manage risk within the Board's risk appetite. Summary of Principal Risks and the corresponding key mitigating factors is presented below.

Principal Risk	Risk Definition	Key Mitigations
Regulatory Risk	The risk of regulatory sanctions, material financial loss or reputational damage the Company could suffer as a result of its failure to comply with applicable laws, regulations, rules, or related internal standards and codes of conduct	• Maintaining a robust risk management framework and a set of internal policies which are reviewed periodically • Adequate staff training and communication for key policies and procedures • Comprehensive second line assurance programme providing oversight over the effectiveness of regulatory compliance and related controls • Robust change management governance requiring regulatory compliance sign-off • Regulatory capital and liquidity planning and monitoring through the Finance function • Regular interactions with industry bodies to proactively monitor trends • Values-based culture and strategy centred around Consumer Duty
Information Security Risk	The risk of data loss, theft or disruption of information systems both internally and throughout the supply chain, which impacts confidentiality, integrity and availability	• Regular data back-up and restoration testing to allow for recovery in the event of a cyber attack or corruption of data • Regular user access reviews and recertifications • Proactive technical vulnerability assessments and mitigation • Monitoring key third-party services and performance metrics • Ongoing infrastructure assessments against business requirements • Compliance and certification to ISO 27001 and Cyber Essentials Plus • Monitoring of compliance with applicable regulation and legislation in respect of data protection • Maintaining a robust policy set and controls to keep information secure • Frequent training for all employees to promote a culture of security awareness • Continuing to invest in the information security programme in order to mitigate the evolving cyber risks • Periodically testing business continuity plans for critical assets and functions • 24x7 / 365 proactive threat detection and response for critical assets to prevent malicious behaviour

Operational Risk	The risk of loss, disruption of business or adverse regulatory action resulting from inadequate or failed internal processes, people performance, systems, or due to third parties or external events	• Effective internal governance to adequately oversee, challenge and escalate the risk positions • A comprehensive set of operational policies and procedures • Periodic Operational Risk and related key control assessments • Implementing automation to reduce manual processing • Automated Consumer Duty dashboard, monitoring customer outcomes • Robust third-party supplier selection and due diligence process with ongoing monitoring of key suppliers • Periodic training for all employees and specialised training for Customer Success and other teams • Structured performance management for all employees and formalised succession planning for key roles • Maintaining a risk-aware corporate culture based on accountability and transparency
Financial Risk	The risk of the Company's inability to fulfil its financial obligations or internal objectives due to loss of revenue resulting from adverse price movements in the capital markets, or the impact of worsening creditworthiness or default of a key financial partner	• Geographic and asset class diversification of investment plans • Recurring Revenue from long-duration assets • Financial planning based on scenario analysis • Maintaining adequate financial reserves • Internal controls in place monitoring capital quality and reserve levels • Partnering only with large and reputable asset managers and banking institutions • Robust controls in place to ensure the integrity of financial data
Strategic Risk	The risk of failures in strategic planning and execution leading to the Company not achieving its core objectives	• Core objectives calibrated using customer and regulatory feedback • Continuously assessing competitor landscape and industry trends • Employing agile product development and deployment cycles • Robust strategic centralised change management process • Prioritising talent acquisition and retention • Encouraging a culture of innovation
Climate Risk	The risk of negative impact of climate change or its broader economic, financial and societal consequences on the Company, or the Company's failure to meet sustainability requirements from a commercial, regulatory or stakeholder perspective	• Small physical footprint, remote working, cloud-based technology • Risk transfer policies in place • ESG screenings applied in our investment plans to reduce harmful exposures • Using third parties that have robust business continuity plans in place • Clearly defined climate risk management roles and responsibilities • Monitoring climate risks faced today and under future scenarios

14 Viability Statement

In accordance with provision 31 of the UK Corporate Governance Code, the Board has assessed the viability of PensionBee Group plc and its subsidiaries (together the 'Group') for the four-year period to December 2028, considering this to be an appropriate period over which to assess the Group's strategy and its capital requirements, considering the investment needs of the business and the potential risks and uncertainties that could impact the Group's ability to meet its strategic objectives. The Board considers a four-year period to be an appropriate time frame because this would likely capture the length of a potential downside business cycle and provide sufficient time to identify and execute mitigating actions required to address the stress test scenarios as outlined below.

This assessment has been made giving consideration to the financial position, regulatory capital and liquidity requirements of the Group (as set out on pages 38 to 44 of the Operating and Financial Review within the Strategic Report), in the context of the Company's strategy, business model and medium-term business plan, together with an assessment of the principal risks and uncertainties (as set out on pages 70 to 77 of the Managing our Risks section of the Strategic Report). Such risks have been categorised into Regulatory Risk, Information Security Risk, Operational Risk, Financial Risk, Reputational Risk, Strategic Risk and Climate Risk, in accordance with our risk management framework.

PensionBee Limited is an FCA regulated entity and therefore is required to hold appropriate levels of own funds which are at all times in excess of its Liquid Capital Requirement and other capital requirements. PensionBee Inc. is registered with the U.S. Securities and Exchange Commission ('SEC') and is not subject to any capital resource requirements.

The Board-approved medium-term plan assumes the business continues to grow Invested Customers and Assets under Administration through continued investment in its customer proposition, marketing, people and technology. It is assumed that there are no significant or prolonged market movements in underlying asset values from the time the plan was approved by the Board.

The Board has also considered the potential impact of the following stress test scenarios, which together represent a severe and unlikely, but possible scenario. The stress test scenarios would impact the plan from 2025 onwards:

- **Financial Risk (Market Risk)** - A material reduction in global equity markets as a result of global macroeconomic uncertainty (such as geopolitical disruptions, persistent inflation and a high interest rate environment) and prolonged equity market volatility has been assumed over the forecast period. More specifically, the analysis assumed a significant decline in the global equity markets, falling by 50% in 2025 and remaining depressed until the end of the year, with a linear recovery to the pre-crisis level assumed for the remainder of the forecast period.
- **Information Security Risk** - The materialisation of a confidentiality, availability or integrity event that undermines our reputation and reduces conversion and reduces average retirement account sizes. The analysis assumed a material reduction in the customer conversion rate and average retirement account size of newly acquired customers over the forecast period, whereby they would decrease Assets under Administration by 10%.

In the event that such modelled scenarios were to manifest, the Board has identified a number of potential mitigating actions that management could take. The primary lever for consideration would be the reduction of discretionary marketing expenditure and the implementation of fixed cost savings. The Board considers this approach to be reasonable, especially given that the Group's financial position strengthened further over 2024 (in light of it achieving ongoing Adjusted EBITDA breakeven for the Group, supported by Adjusted EBITDA profitability in the UK) and given the strength of PensionBee's positioning within the UK competitive landscape, and given the strength of its balance sheet (including £20m of primary capital raised). The consideration of the US market opportunity has been accounted for by excluding associated US business revenue and other income. However, associated potential US operating costs and short-term funding requirements remain factored into the Group's overall financial resource calculations. The results of the modelling confirmed that the Group would be able to withstand the adverse financial impact of these aforementioned scenarios occurring together over the four-year assessment period and that it would continue to be able to meet its liabilities and capital requirements.

The Group's medium-term plan underwent rigorous review and was approved by the Board in December 2024. The stress test scenarios and associated mitigating actions were reviewed in February 2025 and were subsequently approved in March 2025. The Directors confirm that they have a reasonable expectation that the Group will be able to continue to operate and meet its capital requirements and liabilities as they fall due over the four-year period to December 2028.

The Strategic Report was approved by the Board on 12 March 2025 and signed on its behalf by:



Romi Savova
Chief Executive Officer
12 March 2025

Corporate Governance Report



01 Chair's Introduction to Governance



Dear fellow shareholder,

2024 has been another busy year for our business. The UK business continued to strongly grow and importantly reached Adjusted EBITDA profitability.¹⁶⁰ We expanded into the US, the world's largest consumer retirement market.

Throughout, corporate governance has remained the backbone of how we have operated, providing a framework for considered decision-making.

On behalf of the Board, I am pleased to present our Corporate Governance Report for the year ended 31 December 2024, which details our approach to corporate governance and describes areas of focus for the Board during 2024.

Board Activities

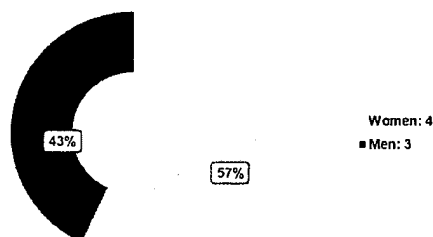
The key items on the Board agenda this year have included: strategic and operational discussions and oversight concerning the expansion of the Company into the US, while reconfiguring the management team to ensure sustainable profit growth in the UK, a primary capital raise executed through a non-pre-emptive cash placing to fund the acceleration of the growth of our US business, Consumer Duty implementation and reporting, and operational deep dives including sessions on risk and operational resilience.

More information on our Board's activities and key decisions can be found on pages 91 to 92 of the Corporate Governance Statement (Key Activities During The Year).

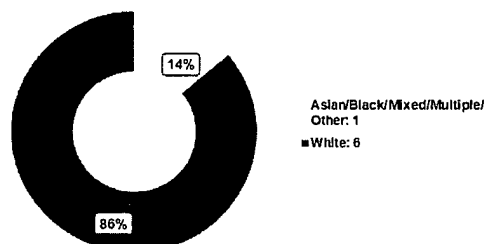
Board Composition and Succession Planning

We maintained a balanced gender split across the entire team. The Company continues to comply with the board diversity targets as set out in the FCA's UK Listing Rules.¹⁶¹ During 2024, the Nomination Committee reviewed updates to the Company's Inclusion, Equality & Diversity Policy, available on our website, setting out details of the Board's diversity policy, implementation and reporting.¹⁶² Further details are set out on pages 96 to 99 of the Nomination Committee Report within this Corporate Governance Report and on pages 24 to 33 of the Our People section of the Strategic Report.

PensionBee Board Gender Representation



PensionBee Board Ethnicity Representation



The Nomination Committee's 2024 agenda included consideration of both Non-Executive and Executive Director succession plans in the context of the ongoing needs of the business. The Company's expansion into the US focused discussion on augmenting the Board's skill profile with the appointment of an additional Non-Executive Director in due course. This will be considered further and likely progressed during 2025 if appropriate.

¹⁶⁰ See page 45 of the Measuring our Performance section of the Strategic Report.

¹⁶¹ Chapter 6 of the Listing Rules, specifically UKLR 6.6.6R(9) states that at least 40% of individuals on the board should be women, at least one at least one of the senior positions on the board (chair, chief executive, senior independent director, or chief financial officer) should be held by a woman, and at least one individual should be from a minority ethnic background. At PensionBee, the Chief Executive Officer role has been filled by a woman since the Company's inception in 2014, the Senior Independent Director role has been filled by a woman since November 2020 and there has been one board member from a minority ethnic background since April 2022.

¹⁶² PensionBee Inclusion, Equality & Diversity Policy can be found at pensionbee.com/investor-relations.

As reported in last year's Annual Report and Financial Statements 2023, my term as a Director of the Company has been extended to 2027. I am reassured by the Board's assessment that I continue to provide impartial and valued judgment. I am honoured to Chair the Board as the Company takes this transformational step with its expansion into the US.

Whilst this is not a matter of non-compliance against the UK Corporate Governance Code 2018 (the 'Code') for the financial year ended 31 December 2024, the extension of my tenure to 2027 will take me over the nine-year period stated in Provision 19 of the Code: 'The chair should not remain in post beyond nine years from the date of their first appointment to the board.' Whilst I have served as Chair of the prevalent PensionBee Group entity since 2016 (including as Chair of the listed entity since the Company's IPO in 2021), the Nomination Committee and Board agreed to this extension, providing the rationale for this decision as set out on pages 96 to 99 of the Nomination Committee Report. The Senior Independent Director, Mary Francis, wrote to the Company's major shareholders setting out this position. Feedback received was supportive and positive.

Further details of our leadership team can be found on pages 83 to 88 of the Board of Directors and Executive Management section of the Corporate Governance Report. Further details relating to succession planning are set out on pages 96 to 99 of the Nomination Committee Report within the Corporate Governance Report.

Board Evaluation and Effectiveness

For 2024, we completed an internally facilitated evaluation process reviewing the performance of the Directors, the Board as a whole, its Committees, its Chair and its Senior Independent Director. The results of the evaluation indicated that the Board and Committees continued to operate effectively with strong, professional and constructive relationships between the Non-Executive and Executive Directors. Themes that surfaced and resulting actions that have been identified will form a development plan for 2025.

The UK Corporate Governance Code 2018 requires FTSE 350 companies to have an externally facilitated board evaluation at least every three years. The Company is not currently a member of the FTSE 350 and therefore not subject to this Code provision. Nonetheless, we will keep this under review and may choose to adopt an externally facilitated Board evaluation in due course.

Further detail relating to the Board evaluation process, including the progress that has been made against the prior year's action points, is set out on pages 96 to 99 of the Nomination Committee Report within the Corporate Governance Report.

ESG

We continue to believe that effectively managing our Environmental, Social and Governance ('ESG') priorities in a thoughtful way will help drive long-term value for all our stakeholders. We strive to continuously advance our efforts and approach our ESG initiatives with transparency, sharing our goals and key metrics, fostering accountability and keeping our stakeholders informed as we progress.

This year, we remained focused on advancing our net-zero commitment, in alignment with the goals of the Paris Agreement. We also expanded our climate reporting to include additional Scope 3 categories, new company-wide metrics, and emissions from our US operations. In collaboration with our asset managers, we continue to enhance the quality and availability of climate data. Our 2024 emissions data is on track to meet our public commitments, including both interim (2030) and long-term (2050) net-zero targets.

In the UK, we were pleased to have overseen and launched another customer-led responsible investing innovation for the UK market, launching our Climate Plan, in response to customer demand for an investment plan aligned with international climate agreements. Created in partnership with State Street Global Advisors, this plan targets an ambitious 10% year-on-year carbon reduction pathway and is tailored specifically to our customers' needs, reinforcing our shared vision for a sustainable future. We also continued to advance Voting Choice, applying the ISS Voting Choice SRI Policy to 94% of our asset base.¹⁶³

To ensure transparency across all aspects of ESG, we will continue to disclose our progress in alignment with the Sustainability Accounting Standards Board, Workforce Disclosure Initiative, Streamlined Energy and Carbon Reporting ('SECR') framework and the Task Force on Climate-related Financial Disclosures ('TCFD') framework.

Further details on our ESG activities can be found on pages 46 to 55 of the ESG Considerations section of the Strategic Report and the TCFD and SECR can be found on pages 56 to 69 of the Climate-related Disclosures section of the Strategic Report.

Stakeholder Engagement

With the passing of a decade since formation, the Board was pleased to engage with a review of the Company's vision, mission and values, which serve as a blueprint for everything we do for our customers and other stakeholders, following a process of co-creation amongst the Executive Management team and Company colleagues.

The Board enjoyed opportunities to see the Company's vision and values in practice, attending operational deep dive employee engagements where we directly witnessed how the values-based culture has been embedded into day to day operations to achieve the Company's strategic goals.

The Board also continued to engage with the wider workforce during the year via existing channels and initiatives in place across the Company, to ensure that our employees were listened to and well represented. Participation in diversity and inclusion sessions and Board-led insight sessions with real-life case studies were well-received.

As detailed above, the Board has and will continue to engage with stakeholders in relation to material governance matters. In respect of engagement with shareholders and the investor community, of note was the Company's first Capital Market Day since our IPO, held on 1 October 2024 was led by our Executive Directors and members of the Executive Management Team. Valuable insights from the existing and prospective investor community were fed back to the Board's discussions, ultimately supporting the strategic decision to execute a capital raise during the year to accelerate the growth of the US business.

¹⁶³ Reflects 94% of PensionBee's Assets under Administration across the Tailored, Tracker, 4Plus and Climate Plans as at 31 December 2024. See definitions on page 45 of the Measuring our Performance section of the Strategic Report.

Further information relating to how we engage with our employees, shareholders and all our other stakeholders is set out on pages 24 to 33 of the Our People section of the Strategic Report and pages 46 to 55 of the ESG Considerations section of the Strategic Report.

The Annual General Meeting

The Board looks forward to welcoming shareholders to the Company's Annual General Meeting ('AGM'), which will be held on 15 May 2025. The Notice of the 2025 AGM will be distributed to shareholders and made available on the Company's website.

Mark Wood CBE
Non-Executive Chair
12 March 2025

02 Board of Directors and Executive Management



Mark Wood CBE
Non-Executive Chair

Committee Membership:

Investment Committee (Chair), Nomination Committee (Chair), Remuneration Committee

Date of Appointment: February 2021

External Appointments:

Non-Executive Chair, Utility Bidder Limited¹⁶⁴
Non-Executive Chair, Ondo InsurTech Plc
Chair, Everest Funeral Concierge (UK) Limited
Non-Executive Chair, Acquis Insurance Management Limited
Senior Independent Director, RAC Group Limited¹⁶⁵
Non-Executive Chair, Digitalis Reputation Limited
Non-Executive Chair, Walbrook Advisors Limited
Trustee, The Gregory Centre for Church Multiplication
Chair, Multiple Sclerosis Society Research Appeal Board
Operating Partner, Advent International

Career and Experience:

Mark Wood CBE has had a long and distinguished career, serving as Chief Executive of some of the country's largest financial service companies, including Prudential UK & Europe and Axa UK. Mark is a regular commentator in the press on pensions and insurance.

He has been at the helm of several financial services and technology start-ups, including Paternoster, a regulated insurance company which he founded in 2005. Mark is a qualified Chartered Accountant.

Mark was previously the Chairman of the NSPCC and was awarded a CBE in 2017 for services to children. He now serves as Chair of the Multiple Sclerosis £100m Research Appeal Board.



Mary Francis CBE
Senior Independent Director
Director responsible for Employee Engagement

Committee Membership:

Audit and Risk Committee, Investment Committee, Nomination Committee, Remuneration Committee (Chair)

Date of Appointment: February 2021

External Appointments:

Non-Executive Director, Barclays plc and Barclays Bank plc
Member of the UK Takeover Appeal Board

Career and Experience:

Mary Francis CBE has extensive and diverse board-level experience across a range of industries, including previous Non-Executive Directorships at the Bank of England, Alliance & Leicester, Aviva, Centrica and Swiss Re Group.

Through her former senior executive positions with HM Treasury, the Prime Minister's Office, and as Director General of the Association of British Insurers, Mary brings strong governance values to the Board, a strong understanding of the interaction between public and private sectors, and skills in strategic decision-making and reputation management.

Mary was awarded a CBE in 2006 for her services to business.

¹⁶⁴ Including subsidiary appointments.

¹⁶⁵ Including subsidiary appointments.



Michelle Cracknell CBE
Independent Non-Executive Director
Consumer Duty Board Champion

Committee Membership:
 Audit and Risk Committee (Chair), Investment Committee, Nomination Committee, Remuneration Committee

Date of Appointment: February 2021

External Appointments:
 Chair, Fidelity Wealth Management Limited¹⁶⁶
 Independent Non-Executive Director, Fidelity Holdings (UK) Limited, Financial Administration Services Ltd¹⁶⁷
 Non-Executive Director and Trustee, Lloyds Banking Group Pensions Trustees Limited
 Independent Non-Executive Director, Just Group Plc¹⁶⁸
 Non-Executive Director, Sport England

Career and Experience:

Michelle Cracknell CBE has a portfolio career as a Pension Trustee and Non-Executive Director. She has over 30 years' experience in pensions and retirement planning, including most recently as the Chief Executive of the Pensions Advisory Service. During her time there she significantly grew the number of customers and increased the channels offered, transforming the service to provide greater support on pension freedom legislation, pension scams and transfers from pension schemes.

Michelle started her career at a financial advice business where she became a shareholding Director prior to selling it to Aegon, and subsequently worked as a Strategy Director at Skandia/Old Mutual. Michelle is a qualified Pensions Actuary.

Michelle was awarded a CBE in 2019 for her services to the pensions industry.



Lara Oyesanya FRSA
Independent Non-Executive Director

Committee Membership:
 Audit and Risk Committee, Investment Committee, Nomination Committee, Remuneration Committee

Date of Appointment: April 2022

External Appointments:
 Trustee, Shaw Trust

Career and Experience:

Lara Oyesanya FRSA has extensive legal, regulatory and commercial experience across multiple industries, as well as significant compliance, governance and data privacy expertise. She was formerly the Chief Legal Officer, General Counsel and Company Secretary at Zepz Group, and before that was General Counsel and Chief Risk Officer at Contis Group. She has also held a number of senior roles at FTSE 100 and financial services businesses including Klarna and Barclays.

Lara is a barrister of the Supreme Court of Nigeria and a Solicitor of the Senior Courts of England and Wales. As a board trustee she is a member of the Commercial and Performance and the HR Committees, Shaw Trust. Additionally, Lara was a former co-opted Member of the Committee on Benefactions and External and Legal Affairs, a committee of the University of Cambridge Council, that advised the Vice Chancellor.



Romi Savova
Chief Executive Officer (Executive Director)

Committee Membership:
 Investment Committee, Nomination Committee

Date of Appointment: February 2021

External Appointments:
 Director, Seen on Screen

¹⁶⁶ Including subsidiary appointments.

¹⁶⁷ Including subsidiary appointments.

¹⁶⁸ Including subsidiary appointments.

Career and Experience:

Romi Savova founded PensionBee in 2014 after experiencing firsthand the complexity of workplace retirement account transfers. As the Chief Executive Officer, she has been a trailblazer in improving consumer standards across the retirement industry, spearheading initiatives to reduce transfer times and campaigning for the abolition of unfair exit fees. Under her leadership, PensionBee publicly listed in the UK in 2021 and she led the company's strategic expansion into the United States in 2024.

In the UK, she advised the UK government on the delivery of pensions dashboards and the evolution of consumer standards in pensions. In the US, she has consulted on landmark legislation, including the future of The SECURE Act, helping to modernise the retirement system.

Prior to founding PensionBee, Romi built a diverse career in financial services, holding key roles at Goldman Sachs, Morgan Stanley and Credit Benchmark, where she gained deep expertise in risk management, investment banking and financial technology. She earned an MBA from Harvard Business School, graduating as a George F. Baker Scholar, and holds a summa cum laude degree from Emory University.



Jonathan Lister Parsons
Chief Technology Officer (Executive Director)

Committee Membership:
None

Date of Appointment: February 2021

External Appointments:
None

Career and Experience:

Jonathan Lister Parsons co-founded PensionBee with Romi in 2014. In his role as the Chief Technology Officer, he is passionate about bringing customers' pension experience into the 21st century, and using technology to transform pension transfer processes that typically take months to a five-minute process on a smartphone.

Jonathan champions a tech-forward culture within the business, aiming to raise the level of technology literacy among employees, and creating opportunities for people to develop technical skills as they move through different roles in their career at PensionBee.

Prior to co-founding PensionBee, Jonathan founded a digital consultancy, Penrose, and worked at British Telecom. Jonathan holds an MSci in Experimental and Theoretical Physics from the University of Cambridge.



Christoph J. Martin
Chief Financial Officer (Executive Director)

Committee Membership:
None

Date of Appointment: June 2022

External Appointments:
None

Career and Experience:

Christoph J. Martin is the Chief Financial Officer of PensionBee, having joined the Company in 2019. He is Responsible for financial reporting, and business planning at PensionBee. Christoph regularly engages with the public markets, including PensionBee's investors, to communicate the Company's financial objectives.

Christoph previously worked in private equity investment at Providence Equity Partners, focusing on investments in technology, media, telecommunications and education. Prior to that he worked in mergers and acquisitions, covering financial institutions at Morgan Stanley. Christoph holds a BSc in Business Administration from WU Vienna.



Lisa Picardo
Chief Business Officer UK

Joined PensionBee: March 2020

External Appointments:
Founding Member, Breast Cancer Now Development Board

Career and Experience:

Lisa Picardo is the Chief Business Officer of PensionBee in the UK, having joined the Company in 2020. She facilitates the ongoing execution of the Company's strategy and corporate development in the UK, having previously led the Company's IPO and its subsequent transfer to the Premium Segment, capital raising and other initiatives to grow the business profitably. Lisa is a member of the Pensions Dashboard Advisory Group, which has been tasked with providing insights to share the delivery of the dashboards, and also represents PensionBee at the Association of British Insurers.

Lisa previously worked at Morgan Stanley for thirteen years, with the first seven years spent in the European Mergers and Acquisitions department, where she gained extensive experience working on many large and complex UK and cross-border public transactions including acquisitions, restructurings, take-privates, financings and IPOs. She also played a role in firm management. She then joined the Morgan Stanley Private Equity Fund, focused on investing in global mid-market opportunities across all sectors, with an interest in consumer-facing businesses.

In 2015, Lisa founded LITTLECIRCLE, an online luxury childrenswear retailer with a platform for pre-loved fashion. Lisa is a founding member of the Breast Cancer Now Development Board. Lisa holds a BSc in Economics from Bristol University.



Matthew Cevik Loft
Chief Design Officer

Joined PensionBee: September 2015

Career and Experience:

Matthew Cevik Loft is Chief Design Officer at PensionBee, having joined the company in 2015. He leads the Product, Design and User Research functions at PensionBee and is responsible for the customer experience of PensionBee's products and the Company's visual brand. Bringing over twenty years experience in designing customer-centric digital experiences, he is passionate about inclusivity, accessibility and sustainability in design.

Prior to joining PensionBee, Matthew worked at design agencies and in-house across a wide range of sectors for clients including The Money Advice Service, Legal & General, The Ministry of Justice, Oxford University and the V&A.



Clare Reilly
Chief Engagement Officer

Joined PensionBee: January 2017

Career and Experience:

Clare Reilly is the Chief Engagement Officer of PensionBee, having joined the company in 2017. She is responsible for the investment range and managing the environmental, social and governance framework in line with the PensionBee vision.

Clare previously worked in the not-for-profit sector, in Corporate Relations at Citizens Advice and Fellowship at the Royal Society of Arts. Clare holds a BA Hons from University College London and an MSc from the University of Oxford in Russian and East European Studies.

	Matthew Cavanagh Chief Legal Officer and General Counsel Joined PensionBee: September 2023
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Career and Experience

Matthew Cavanagh is the Chief Legal Officer and General Counsel of PensionBee, having previously worked as General Counsel to the company in 2015 and re-joining the company in September 2023. Matthew heads PensionBee Group's legal function, with responsibility for the provision of legal advice to all aspects of the business and its respective boards, and managing PensionBee's external legal advisory relationships.

A lawyer with over 20 years experience in private practice at leading international law firms Clifford Chance, Linklaters and Skadden Arps Slate Meagher & Flom, a partner at King & Wood Mallesons SJBerwin, General Counsel & Partner at Christofferson, Robb & Company and Director, Executive Legal Counsel at the Qatari sovereign wealth fund (the QIA).

He is a solicitor qualified in England & Wales, Ireland and Australia (Queensland and High Court of Australia). Matthew holds an LLM (specialising in Commercial Law), LLB (Hons) and BA (Double Major in Chinese) from The University of Queensland.

	Jasper Martens Chief Marketing Officer Joined PensionBee: September 2015 External Appointments: Advisor, Sprive
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Career and Experience

Jasper Martens is the Chief Marketing Officer of PensionBee, having joined the company in 2015. He is responsible for marketing across the business and brings extensive multichannel marketing experience to PensionBee, gathered over 15 years working in financial services and digital agencies.

Jasper advises and has advised other fintechs such as Sprive, Statement and Superscript on their marketing strategy. Prior to joining PensionBee, Jasper was Head of Marketing and Communications at small business insurance provider, Simply Business. Before moving to London, Jasper ran his own online marketing agency which he founded in the Netherlands.

	Tess Nicholson Chief Operating Officer Joined PensionBee: August 2015
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Career and Experience

Tess Nicholson is the Chief Operating Officer of PensionBee, having joined the company in 2015. She is responsible for a range of operational activities across the business, including customer success, compliance and banking operations.

Tess was previously Operations Manager and UK Commercial Manager at GO Markets UK Trading Limited (formerly Vantage FX UK Trading Limited). Tess holds a BA Hons degree in Fashion Design with Communication from Birmingham City University and a Masters in Social & Political Theory from Birkbeck, University of London.



Petra Miskov
Chief Risk Officer

Joined PensionBee: September 2022

Career and Experience

Petra Miskov is the Chief Risk Officer of PensionBee, having joined the company in 2022. She is responsible for enterprise risk management, including maintaining an integrated risk framework, with a special interest in collaborative risk culture.

Prior to joining PensionBee, Petra was a Managing Director at the London Stock Exchange, and she worked at Goldman Sachs, Ernst & Young, KPMG and Mercer, in a variety of senior roles in the areas of risk management, quantitative advisory, investment management and pension consulting.

Petra holds a MSci in Mathematics and Statistics from the New York University and she graduated summa cum laude from the City University of New York.

03 Corporate Governance Statement

UK Corporate Governance Code Compliance Statement

The Company has applied all of the principles of the UK Corporate Governance Code 2018 (the 'Code') as they apply to it and has complied with all relevant provisions of the Code for the financial year ended 31 December 2024.

Full details of the Code are available at [frc.org.uk](https://www.frc.org.uk). Details explaining how the Company has applied the principles of the Code can be found throughout the Annual Report.

Role of the Board

In accordance with the Code, the role of the Board is to promote the long-term sustainable success of the Company, generating value for shareholders and contributing to wider society. The Board of PensionBee considers how to promote the success of the Company giving due regard to all its stakeholders, including shareholders and employees. As such, the Board participates in direct engagement with certain stakeholder groups and engagement is reported to the Board to inform the decision-making and business outcomes.

The Board provides overall leadership, setting the Company's purpose, values and strategy, and supporting the Executive Directors and the broader Executive Management Team in the delivery of that strategy. The Board ensures that the Company has the necessary resources in place to meet its objectives, measuring performance against them and that it operates a framework of effective controls, enabling risk to be appropriately managed.

Further information on the Company's vision, values, strategy, risk management framework and engagement with stakeholders can be found within pages 10 to 14 of the About Us section, pages 15 to 21 of the Our Strategy section, pages 70 to 77 of the Managing our Risks section and pages 46 to 48 (Stakeholder Engagement) of the ESG Considerations section, of the Strategic Report.

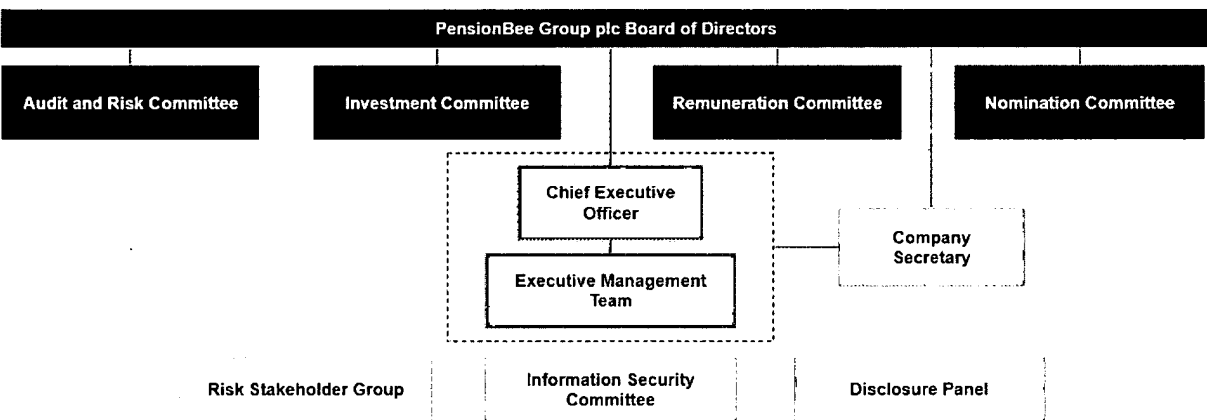
Matters Reserved for the Board

The Board operates a policy of matters reserved for its collective decision, which includes items that are material to deliver on the Company's strategy and purpose, including strategic issues, structure and capital, financial reporting and controls, material agreements, communications with shareholders, board appointments and remuneration, risk assessment and internal controls, and corporate governance. These matters include, but are not limited to:

- Responsibility for leadership, purpose, values and standards, monitoring progress against each.
- Approving annually a strategic plan and objectives.
- Approving operating and capital expenditure budgets and any material changes to them.
- Approving changes relating to capital and corporate structure.
- Approving the financial results including the annual accounts, interim and full year results.
- Approving the Group's risk management and treasury policies.
- Approving major capital projects, investments or contracts in excess of the delegated amount.
- Approving changes to the structure, size and composition of the Board.
- Ensuring a satisfactory dialogue with shareholders.
- Ensuring the maintenance of a sound system of internal control and risk management.
- Maintaining oversight of whistleblowing arrangements.

A copy of the 'Schedule of Matters Reserved for the Board' can be found on the Company's website at: pensionbee.com/esg.

Governance Structure



The Disclosure Panel is responsible for monitoring the existence of inside information and its disclosure to the market. The Disclosure Panel comprises the Chair, the Chief Executive Officer ('CEO'), the Chief Business Officer UK ('CBO'), the Chief Financial Officer ('CFO'), the Chief Legal Officer and General Counsel ('CLO') with support from the Company Secretary.

Details of the Risk Stakeholder Group and the Information Security Committee can be found on pages 60 to 77 of the Managing our Risk section of the Strategic Report.

Board Committees

The Board has delegated a number of its responsibilities to the Audit and Risk Committee, the Nomination Committee, the Investment Committee and the Remuneration Committee. Each of these Committees has a terms of reference document, which is reviewed annually by the respective Committee and the Board to ensure that they remain appropriate to support effective governance. Details of the role, composition and activities of each Committee during the year are set out in their respective reports on the following pages within this Corporate Governance Report.

A copy of the Terms of Reference for each of the Board Committees can be found on the Company's website at: pensionbee.com/esg.

The Operation of Board & Committee Meetings

The Board generally aims to meet up to twenty times per year across the Board and Committees, with each meeting's activity being planned ahead of time and set out in a formal Annual Board Activity Calendar, which is approved by the Board. The Board and Committee meetings are generally planned around key events in the corporate calendar, which ensures that the Board receives appropriate information at the appropriate time and that all key operational, financial reporting and governance matters are discussed during the year.

With respect to Board and Committee meetings, the Chair, the CEO, the relevant Executive Management sponsor and the Company Secretary set the Board's agenda, ensuring that there is sufficient focus on strategy, performance, value creation, culture, stakeholders and accountability. A detailed presentation is prepared and circulated in advance of each meeting, including updates from the CEO, the CFO and other Executive Management Team members. The Company Secretary also prepares a report every quarter for Board meetings, covering matters including the latest governance and company law updates.

Roles and Responsibilities

The Board acknowledges the importance of a clear division of responsibilities between Non-Executive and Executive roles, and in particular the delineation between the Chair's responsibility to lead the Board and the Chief Executive Officers responsibility to run the business. The Board has in place the PensionBee Charter of Expectations and Role Profiles document to clearly outline the roles and expectations of the Board. It outlines the role profiles for all of the positions on the PensionBee Group plc Board and states the expectations of each of the Directors and Group Company Secretary. The performance of the Board, its Committees, and each Director is measured against these expectations.

A copy of the 'PensionBee Charter of Expectations and Role Profile' document can be found on the Company's website at: pensionbee.com/esg.

Role of the Chair

The Chair (Mark Wood) is responsible for leadership of the Board and ensuring its overall effectiveness in directing the Company and in all aspects of its role, including the satisfaction of its legal, regulatory and shareholder responsibilities, and promoting the highest standards of integrity, probity and corporate governance. The Chair has responsibilities relating to Board meetings, Board composition, induction and performance evaluation processes and relations with shareholders and other stakeholders. At appropriate intervals during the year, the Chair holds meetings with the Non-Executive Directors without the Executive Directors present in order to facilitate a full and frank discussion. The Chair is responsible for ensuring that the Board listens to the views of stakeholders to understand their issues and concerns. During the year this took place through regular Board shareholder updates on the Company's results, a Capital Markets Day, and employee engagements.

Role of the Chief Executive Officer

The Chief Executive Officer (Romi Savova) leads the team with executive responsibility for running the businesses of the Group. The CEO reports to the Board, and is responsible for all Executive Management matters of the Group.

Role of the Independent Non-Executive Directors

The Non-Executive Directors (Mary Francis, Michelle Cracknell and Lara Oyesanya) are all independent, providing constructive challenge, strategic guidance, offering specialist advice and holding management to account, given their experience in both executive and non-executive roles throughout their careers. The Non-Executive Directors also contribute to the identification of principal business risks and the determination of risk appetite and monitoring of the internal control framework. They provide independent judgement to the Board and also monitor compliance with the regulatory principles and requirements. The Independent Non-Executive Directors have a prime role in appointing and, where necessary, removing Executive Directors.

Role of the Senior Independent Director

The Code requires that the Board should appoint one of the Independent Non-Executive Directors to be the Senior Independent Director, providing a sounding board for the Chair and serving as an intermediary for the other Directors and shareholders if they have concerns that have not been resolved through the normal channels of the Chair or the Chief Executive Officer. Led by the Senior Independent Director, the Non-Executives meet without the Chair present at least annually to appraise the Chair's performance, and on other occasions as necessary. Mary Francis has been appointed as the Senior Independent Director.

Company Secretary

The Company Secretary supports the Board and each of the four Board committees and is in attendance at all meetings. All Directors have access to the services of the Company Secretarial team, who are available to advise on matters including company law, governance and best practice. The Company Secretary ensures that the correct policies, processes and information are tabled for discussion, noting or recording approval at the correct point in time throughout the year. The Company Secretarial team works with

members of the Executive Management Team and the respective Chairs of the Board and Committees to ensure that Board meeting packs are circulated to Directors in a timely manner and that the information contained in them is clear and accurate.

Composition, Independence and Attendance in 2025

The Board's size, structure, and composition is reviewed regularly to ensure that the balance between Non-Executive and Executive Directors allows the Board to exercise objectivity. The Nomination Committee, having considered circumstances which could be likely to impair a Non-Executive Director's independence, determined that Mary Francis, Michelle Cracknell and Lara Oyesanya were considered to be independent and that the Company continued to comply with Provision 11 of the Code, with at least half of the Board (excluding the Chair) being composed of independent Non-Executive Directors.

Further details setting out the experience, skills and professional experience of the Non-Executive Directors are set out on pages 83 to 88 of the Board of Directors and Executive Management section of this Corporate Governance Report.

During the course of 2024, the Board held nine formally scheduled meetings, with additional ad hoc meetings or calls convened to deal with various matters in between. Meetings were held via video conference to ensure attendance and inclusivity. The Executive Management Team were also frequently present at Board and Committee meetings, together with other advisors or contributors as appropriate. The table below shows the attendance of each Director at the formal scheduled meetings of the Board and Committees of which they are a member:

Director	Board Meetings Eligible/ Attended	Audit and Risk Committees Eligible/ Attended	Remuneration Committee Eligible/ Attended	Nomination Committee Eligible/ Attended	Investment Committee Eligible/ Attended
Mark Wood	9/9	-	2/2	3/3	3/3
Mary Francis	9/9	7/7	2/2	3/3	3/3
Michelle Cracknell	9/9	7/7	2/2	3/3	3/3
Lara Oyesanya	9/9	7/7	2/2	3/3	3/3
Romi Savova	9/9	-	-	3/3	3/3
Jonathan Lister Parsons	9/9	-	-	-	-
Christoph J. Martin	9/9				

The Non-Executive Directors are committed to devoting adequate time to the business to discharge their responsibilities effectively. As set out in their appointment letters, the Non-Executive Directors are required to attend scheduled Board and Committee meetings and to become more involved for periodic special activities if required. All Directors must advise the Board of any changes to existing commitments or new commitments that may have implications on their ability to commit sufficient time to their duties.

Where Directors are unable to attend a meeting, they are encouraged to submit any comments on papers or matters to be discussed to the Chair in advance to ensure that their views are recorded and taken into account during the meeting.

Key Activities During The Year

The annual Board Activity Calendar setting out agenda items for each scheduled Board and Committee meeting is approved by the Board each year.

The calendar takes into account key points in the regulatory and financial cycle, and includes regular business, corporate, investor and employee updates from the CEO and the CBO, regular updates on the financial performance and business planning from the CFO and quarterly updates on governance and company law matters from the Company Secretary. In addition, the Board has received updates from the work of the Committees, other members of the Executive Management Team and from external advisors and contributors where appropriate.

During 2024, the expansion of the Company's operations into the US was a matter of significant focus for the Board. In addition to discussions being conducted at scheduled Board meetings, a number of additional meetings were held reflecting its strategic importance to the business. In reaching its decision to launch in the US, the Board considered the impact on the Company's stakeholders, considering the opportunity for investors to benefit from the potential of an enlarged group operation, colleagues to grow and develop their skillsets and customers to benefit from increased innovation and organisational learning. The Board also carefully considered potential risks, including the Company's ability to deliver on its UK financial objectives, to resource its operations effectively and to provide a high quality of service to existing customers.

Additionally, the Company held its first Capital Markets Day since its IPO in October 2024, for which the Board engaged by reviewing the preparatory materials and in receiving feedback from the Company's shareholders and the global investor community. Following that, and in response to feedback from institutional investors, the Board oversaw a £20m primary capital raise to accelerate the growth of the US business, by way of a non-pre-emptive cash placing through the issue of new Ordinary Shares.

Strategy	Finance	Operational
Reviewed and approved the 2025 strategic plan. Focused on the Company's expansion into the US with input from external advisors. Reviewed and approved the Capital Markets Day presentation. Reviewed and approved the Company's £20m primary capital raise.	Reviewed and approved the 2025 budget and financial strategy, including going concern considerations and stress testing. Reviewed and approved the full-year results, the half-year results and the quarterly trading announcements and presentations. Reviewed monthly management accounts, performance analytics and regular finance updates. Reviewed financial matters in relation to expansion into the US, including risk, budget, capital and tax.	Reviewed regular operational updates provided in the CEO's Report. Participated in Executive Management Team-led deep dives on the operational elements of the Company's strategy including: • Press & Public Affairs • Data • Operational Resilience • Proxy Voting PR Strategy • Product
People	Environment & Social	Governance & Risk
Reviewed the Board Engagement 2024 Programme, and participated in and or led colleague engagement events. Reviewed work on Inclusion, Equality & Diversity and approved the associated policy. Reviewed the Company's Diversity Survey Results (via the Nomination Committee). Reviewed and approved changes to the Company's vision, mission and values (via the Nomination Committee) Reviewed the Succession Plan Framework (via the Nomination Committee). Received updates on the workforce and workforce engagement in the CEO's Report. Reviewed the health and safety update.	Oversaw the implementation of the Climate Plan (via the Investment Committee). Reviewed and approved the ESG Policy. Oversaw ESG integration (via the Investment Committee)	Reviewed and approved the Consumer Duty Report. Reviewed the outputs from the 2024 Board and Committee Evaluation. Reviewed and approved key corporate governance documentation and policies. Reviewed and approved the Risk Governance Framework. Reviewed Risk Stakeholder Group and Information Security Committee updates . Participated in a Risk deep dive session (via the Audit and Risk Committee). Reviewed the governance framework for the Company's operations in the US.

Information and Support

Agendas and accompanying papers are distributed to the Board and Committee members in advance of each Board or Committee meeting. Where necessary, separate papers are prepared to support specific matters requiring Board decision or approval and the Non-Executives provide ongoing feedback to the CEO and Company Secretary on the content of papers to ensure they continue to support effective debate and decision-making by the Board.

Minutes of all Board and Committee meetings are taken by the Company Secretary and circulated to the Board for approval as soon as practicable following the meetings. Specific actions arising from meetings are recorded both in the minutes and on a separate tracker, thereby facilitating the effective communication of actions to those responsible and allowing the Board to monitor progress.

Any Director may instigate an agreed procedure whereby independent professional advice reasonably necessary to enable them to carry out their duties may be sought at the Company's expense. No such advice was sought by any Director during the year.

Training and Development

On appointment Directors are provided a full, formal and tailored induction programme comprised of:

- The provision of a comprehensive set of documentation covering key financial, operational, strategic and governance matters.
- One-to-one meetings with each of the other Directors and members of the Executive Management Team.

Additionally, throughout the Director's time in office they are provided ongoing training as required, including the annual Compliance Test, which is updated to reflect changes in legislation and best practice. The Board also receives updates in areas such as cyber security, reporting, legal and governance (with external parties as appropriate) through the Board and Committee schedule.

Board Evaluation and Effectiveness

At the end of the year, a formal and rigorous internal performance evaluation was conducted in respect of the Board and each of its Committees, covering processes that underpin the Board and Committee effectiveness, Board and Committee constitution and commitment, Board dynamics, culture, values and strategy and stakeholder oversight. The evaluations were conducted by way of questionnaires for each Director to complete, with responses provided to the Chair and the Company Secretary, followed by further calls with the individual Directors and the Chair. The Chair's performance was also discussed by the other Non-Executive Directors, led by the Senior Independent Director, and feedback was subsequently relayed to the Chair.

A summary of the responses was provided and discussed at the Board's meeting in December 2024. The results of the Board evaluation indicated strong performance and effectiveness of the Chair, Senior Independent Director, Board and Committees. Full details are set out on pages 96 to 99 of the Nomination Committee Report within the Corporate Governance Report.

Details of the progress that was made during 2024 against the themes and outputs from the 2023 Board Evaluation process are set out as follows:

Theme	Progress Update
Further strengthening the skills or knowledge at a Board level in areas including cyber risk and marketing.	The Board's position on this matter remains the same as discussed by the Nomination Committee at its March 2023 meeting. The Company was focused on ensuring that the Board utilised communication lines with the Executive Directors and their direct reports, responsible for cyber/digital, marketing and sustainability, in order to gain industry development insights to enable the Board to discharge their duties effectively. During 2024, the Board received updates from the SVP Information Security, Chief Technology Officer and Chief Marketing Officer.
Increasing the focus on strategic and commercial matters.	'Deep Dives' remained a standing Board agenda item during 2024. This continued to provide the Board with the opportunity to review operational and strategic matters in detail and to engage directly with more of the senior leadership team. The expansion of the Company's operations into the US was a matter of key strategic focus for the Board in 2024. In connection with this expansion, the Company's primary capital raise to accelerate growth in the US, was also a matter for the Board.
Continuing to review the key risks to the business.	As well as the regular reporting of risk, the Audit and Risk Committee, and Board received the following 'Deep Dives' respectively: • Risk Deep Dive • Resilience Deep Dive
Continuing to consider opportunities to receive insights from and engage with third parties.	During 2024, the Board and its Committees received a number of externally facilitated presentations covering: • The US retirement market • Micro and macroeconomic trends • Sustainability reporting • Capital considerations
Continuing to progress colleague engagement initiatives.	During 2024, Non-Executive Directors attended and participated in a number of colleague educational sessions covering: Age Awareness, Social Mobility, and external corporate case studies to help build awareness and understanding of the role and responsibilities of directors and boards in general.
Continuing to evolve the Company's succession plans.	During 2024, the Nomination Committee reviewed the Company's Succession Plan. The plan incorporated arrangements for the unexpected incapacity of an Executive Director and the succession of Non-Executive Directors (including the Chair) as well as short-term incapacity considerations. Lisa Picardo's appointment to the role of Chief Business Officer UK (formerly Chief Corporate Officer) and Jasper Martens' (Chief Marketing Officer) secondment to the US formed part of the Company's development of the Executive Management Team.

Appointment and Election

Following the Board and Committee performance evaluation conducted at the end of 2024, the Board confirmed that it considers all Directors to be effective, committed to their roles and to have sufficient time to perform their duties.

All Directors are subject to election by shareholders at the first Annual General Meeting following their appointment and to annual re-election thereafter, in accordance with the Code.

Current Service Contracts and Terms of Engagement

All of the Directors have service agreements or letters of appointment, details of which are set out below.

Executive Directors

Name (Position)	Date of Service Agreement	Notice Period by Company (months)	Notice period by Director (months)
Romi Savova (CEO)	16 March 2021	6 months	6 months
Jonathan Lister Parsons (CTO)	16 March 2021	6 months	6 months
Christoph J. Martin (CFO)	30 June 2022	6 months	6 months

Non-Executive Directors

Name	Date of Appointment	Notice Period by Company (months)	Notice Period by Director (months)
Mark Wood	2 February 2021 ¹⁶⁹	3 months	3 months
Mary Francis	2 February 2021 ¹⁷⁰	3 months	3 months
Michelle Cracknell	2 February 2021 ¹⁷¹	3 months	3 months
Lara Oyesanya	21 April 2022 ¹⁷²	3 months	3 months

Both the Non-Executive and Executive Directors are subject to annual re-election by the Company at each Annual General Meeting. The Non-Executive Directors (including the Chair) do not have service contracts, but are instead appointed by letters of appointment.

Each Non-Executive Director appointment is for a fixed three-year term which may be terminated at any time with three months' written notice. Non-Executive Directors may be invited by the Company to serve for a further three-year period.

The current appointment term for Lara Oyesanya will expire on 18 May 2025. Subject to Nomination Committee review and Board approval, it is anticipated that her appointment will be extended for a further three-year period to 18 May 2028. No director participates in discussions and decisions pertaining to their own appointment.

We recognise that Mark Wood has served as Chair of the prevalent PensionBee Group entity since 2016 (including as Chair of the listed entity since 2021). The extension of his tenure to 2027 means that by then, he would have served as Chair for a total of 11 years. This would be two years over the recommended nine-year period stated in Provision 19 of the Code: 'The chair should not remain in post beyond nine years from the date of their first appointment to the board.'

Whilst this is not a matter of non-compliance against the Code for the financial year ended 31 December 2024, we believe it is important to engage proactively on this matter. The Nomination Committee, excluding Mark, assessed that Mark continues to demonstrate objective judgement and promote constructive challenge as well as bringing his skills, knowledge and extensive experience to his role as Chair. Mark has played a vital and leading role in steering the Company from start-up to IPO and into its early years as a successful listed business. As such, and as a matter of good governance, maintaining continuity of leadership is vital in the medium term, whilst also providing time for consultation with shareholders and a considered and orderly succession planning process. In coming to this conclusion we have reviewed Financial Reporting Council materials and best practices in this area.

Furthermore, during 2024 the Senior Independent Director, Mary Francis, formally wrote to the Company's major shareholders notifying them of this point and the rationale for the decision. Feedback received was supportive and positive.

Conflicts of Interest

Rules concerning Directors' conflicts of interests are set out in the Company's Articles of Association and the Company's Directors' Conflict of Interest Policy. All other significant commitments and potential conflicts of interest which a Director may have are required to be disclosed both before appointment and on an ongoing basis, and arrangements would be put in place, as and when it is considered appropriate, to manage conflicts, including any which result from significant shareholdings. All Directors are generally asked to confirm that they do not have any conflicts of interest at the beginning of each Board and Committee meeting.

Whistleblowing

The Company's Whistleblowing Policy outlines the Company's approach to whistleblowing. The policy recognises that whistleblowing is an important activity that helps firms to learn about and resolve problems before they escalate further. Whistleblowing also helps the FCA regulate the financial services sector and information provided by whistleblowers has contributed to fines, permissions changes and other interventions. The aim of the policy is to ensure the Company has a fit-for-purpose whistleblowing procedure that encourages

¹⁶⁹ The Director's term runs until 20 April 2027.

¹⁷⁰ The Director's term runs until 20 April 2027.

¹⁷¹ The Director's term runs until 20 April 2027.

¹⁷² The Director's term runs until 18 May 2025.

employees to come forward with disclosures without fear of reprisal. The Company's whistleblowing champion is Michelle Cracknell, Chair of the Audit and Risk Committee.

Stakeholder Engagement

The Directors recognise their duty under Section 172 of the Companies Act to consider the interests of stakeholders, and the nature of our business means that the interests of our stakeholders (including customers, employees, suppliers, shareholders, our communities, government and regulators and our planet) are front of mind in the Board's decision-making process. Further information relating to how we engage with our stakeholders, together with the Section 172 Statement, are set out on pages 46 to 55 of the ESG Considerations section of the Strategic Report.

Many of the stakeholder relationships are managed by the CEO and other members of the Executive Management Team, with regular updates provided to the Board and Committees as appropriate. The Chair of the Board or Committees will offer support on any significant matters relating to their areas and direct engagement where appropriate.

Employee Engagement

The Board engaged with the wider workforce during the year via existing channels and initiatives that are in place across the Company to ensure that our employees are listened to and well represented, including (but not limited to):

- Board members carried out deep dive sessions into business areas of interest, providing employees with the opportunity to meet and engage with the Board, and enabling the Board to gain valuable direct insights.
- Participation from Board members in diversity events.
- Review of Annual Diversity, Inclusion, Equality & Support Survey of all employees.

The Board was kept apprised of employee matters and engagement through updates provided by the Senior Independent Director, the CEO and other members of the Executive Management Team at Board and Committee meetings.

Further detail relating to how we engage with our employees is set out on pages 10 to 14 of the Our People section and pages 46 to 48 (Stakeholder Engagement) within the ESG Considerations section, of the Strategic Report.

Relations with Shareholders

The Board is committed to proactive and constructive engagement with the Company's shareholders and is keen to ensure that shareholder views are well-understood. The Company's shareholders include shareholders who had invested in the Company when it was a private business, institutional investors, customers (some of whom became shareholders at the time of the Company's listing) and our employees who either are, or will become, shareholders in PensionBee.

Investor relations is managed by the CEO, CFO and the CBO, who regularly drive shareholder and analyst engagement. Virtual one-to-one investor meetings and roadshows are structured around the regular communication of financial and operational results, including quarterly trading statements and presentations to investors and analysts, with recordings being made available on the Company's website. Regular engagement aims to ensure that shareholders and sell-side analysts understand the Company's investment case, strategy and performance.

Regular updates are provided to the Board so that they are well-informed of views on a variety of topics, such as financial performance and environmental, social and governance considerations. Feedback from external advisors to the Company, including its corporate brokers and press agency, who are actively engaged with the investor and analyst communities, is also given as required.

Further information relating to how we engage with our shareholders is set out on pages 46 to 55 of the ESG Considerations section of the Strategic Report.

Going Concern and Viability Statement

The Directors have assessed the viability of the Group over a period that exceeds the 12 months required by the going concern provision. Details of that assessment are set out in the Viability Statement on page 78 of the Strategic Report.

Annual General Meeting

The Board looks forward to welcoming shareholders to the Company's Annual General Meeting ('AGM'), which will be held on 15 May 2025. The Notice of the 2025 AGM will be distributed to Shareholders and made available on the Company's website, and where appropriate, by an announcement via a Regulatory Information Service, if any changes are required to be made to the AGM arrangements.

Mark Wood CBE
Non-Executive Chair
12 March 2025

04 Nomination Committee Report



Mark Wood CBE
Chair, PensionBee Nomination Committee

Dear fellow shareholder,

On behalf of the Board, as Chair of the Nomination Committee, I am pleased to present the Nomination Committee Report for the year ended 31 December 2024. This report provides shareholders with insight into the areas of focus considered and the nature of the work undertaken by the Nomination Committee.

Our vision, mission and values act as a blueprint for everything we do for our customers, our people and our stakeholders. With 2024 being the Company's 10th anniversary, the Committee reviewed the Executive Management Teams' recommendations for the evolution of the Company's vision, mission and values, following a process of review and co-creation with colleagues.

We have also focused on further evolving our succession plan, incorporating plans in respect of the Company's operations in the US.

The Committee reviewed the Company's newly named Inclusion, Equality & Diversity Policy and the results of its annual survey. We continue to develop and review colleague engagement practices to build understanding and awareness of the Board and to provide Directors with insight that can be factored into their decision-making and oversight.

We have reviewed the key action items from the 2023 board evaluation process, and have developed and completed our Board and Committee evaluation process for 2024.

And lastly, the Committee reviewed the extension of tenure, for a further three years, for myself, Mary Francis and Michelle Cracknell, none of whom participated in discussions and decisions relating to their re-appointment.

Roles and Responsibilities

The role of the Nomination Committee is set out in its terms of reference, which is available on the Company's website. The duties of the Nomination Committee include, but are not limited to the following:

Duties of the Nomination Committee
Regularly reviewing the structure, size and composition of the Board (including skills, knowledge, experience and diversity) and recommending changes
Putting in place and reviewing Board and senior management succession plans and appointments and overseeing the development of a diverse pipeline
Taking an active role in setting and meeting diversity objectives and strategies and monitoring their impact
Overseeing the hiring and evaluation process for new Directors and ensuring they receive a full, formal and tailored induction
Reviewing the leadership needs of the organisation with a view to ensuring the continued ability of the organisation to compete effectively in the marketplace
Reviewing the results of the Board evaluation process that relate to the composition of the Board and succession planning
Reviewing annually the time commitment required from Non-Executive Directors

Committee Members and Attendance

Committee Member	Position	Eligible Meetings	Attended Meetings
Mark Wood	Chair of the Committee	3	3
Mary Francis	Senior Independent Director	3	3
Michelle Cracknell	Independent Non-Executive Director	3	3
Lara Oyesanya	Independent Non-Executive Director	3	3
Romi Savova	Chief Executive Officer	3	3

The Nomination Committee must comprise not less than three Directors, with the majority of members being Non-Executive Directors who are independent. Mark Wood, Michelle Cracknell, Mary Francis, Lara Oyesanya and Romi Savova were all members of the Nomination Committee for the year to 31 December 2024. Further biographical details are set out on pages 83 to 88 of the Board of Directors and Executive Management section of the Corporate Governance Report.

Meetings are held at least twice a year at appropriate times and otherwise as required. The Committee met three times across the year to 31 December 2024, with all meetings being held by video conference. In addition to the Committee members, other regular attendees included the CTO and the CBO.

After each meeting, the Chair of the Committee reports to the Board on the Committee's proceedings in respect of all matters within its duties and responsibilities.

Committee Key Activities

2024 Key Activities
Reviewing Committee Terms of Reference
Reviewing Committee Work Plan for 2024 and approving Committee Programme for 2025
Reviewing membership of Board and Committees
Reviewing time commitment from Non-Executive Directors
Reviewing declarations of interest and independence
Reviewing and recommending the extensions of three year tenure for Mark Wood, Mary Francis and Michelle Cracknell
Reviewing the extension of Mark Wood's tenure in the context of Provision 19 of the UK Corporate Governance Code 2018: 'The chair should not remain in post beyond nine years from the date of their first appointment to the board.'
Reviewing the Board Succession Plan
Reviewing the Board Evaluation process
Completing the Nomination Committee Evaluation process
Reviewing updates on Culture, Diversity and Engagement including the Company's diversity and Annual Engagement Survey data
Reviewing and approving the Nomination Committee Report for the Annual Report and Financial Statements

Board Composition

During the year the Committee completed its annual review of the composition of the Board and Committees, the independence of Non-Executive Directors and their time commitment. The Nomination Committee confirmed to the Board that it remained satisfied that the balance of skills, experience, independence and knowledge on the Board and Committees was appropriate, however, it noted that the Company's expansion into the US could benefit from an additional Independent Non-Executive Director on the Board with the necessary skill set. For 2025, the Board, through the Committee, will keep this matter under close attention.

Succession Planning

Our Senior Independent Director Mary Francis, chaired the Nomination Committee to discuss and agree the approach to Chair succession, given that I have been the Chair of the prevalent PensionBee Group entity since 2016 (and the Chair of the listed entity since the Company's IPO in 2021). Whilst this is not a matter of non-compliance against the UK Corporate Governance Code 2018 ('Code') for the financial year ended 31 December 2024, the extension of my tenure to 2027 would take me over the nine-year period stated in Provision 19 of the Code: 'The chair should not remain in the post beyond nine years from the date of their first appointment to the board.' I am pleased to report that the Nomination Committee and Board agreed to this extension to my tenure. Mary wrote to the Company's major shareholders setting out this position and reported that feedback was supportive and positive.

More generally in relation to succession planning, the Nomination Committee oversaw the continued evolution of the succession plan, which was enhanced this year to provide a deeper mapping of the structure of the operations of the business, to account for both the UK and our new US business, and to provide insight into the depth and strength of the talent pipeline that reports into the Executive Management team. To support the needs of a geographically expanding business, the Chief Corporate Officer has moved into a newly created Chief Business Officer role for the UK, and a General Manager, who has already been with the Company for many years, was appointed to lead the US operation.

Given the nature of the business as a founder-led Company, and given that there were no planned departures or retirements, the succession plan continued to primarily focus on scenarios such as the unexpected incapacity of the Non-Executive Directors, the Executive Directors, the Executive Management team and the Company Secretary.

It was agreed that were the Chair of the Board to become incapacitated, the Senior Independent Director would fill this role on an interim basis, and that if one of the Independent Non-Executive Directors was to become incapacitated, another Non-Executive Director would cover the position of Chair of the relevant Committee as required. If a Non-Executive became unable to perform their duties, the Company would need to ensure that the Independent Director majority was maintained, and as such, the Company would seek to look to the Board's own pipeline of candidates and/or appoint a recruitment specialist to assist with completing the recruitment process optimally and expediently.

Succession plans and process steps were reviewed in respect of the unexpected incapacity of any of the three Executive Directors, with the approach dependent on the anticipated period of absence. In regards to short-term periods of absence, plans are in place to support each of the relevant roles internally with the support of the Chair. As regards any periods of longer-term absence, the Board would consider both internal candidates and external recruitment as appropriate at that point in time.

Succession plans for the Executive Management Team and the Company Secretary were also reviewed, having more closely examined the breadth and depth of the Company's pipeline of talent against the responsibilities of each person. A contingency plan was agreed for each role/department to ensure business continuity in the case of unexpected incapacity. Generally, in the case of short-term absence, coverage would be provided by other Executive Management team members, or direct reports with Executive Management oversight. For longer term absences, the approach would be to either fill the position internally, reallocate the role and responsibilities to other existing Executive Management team members or hire externally as appropriate.

The Nomination Committee was satisfied that the succession plan and contingency arrangements in place were appropriate for the Company's stage of development and in line with its risk appetite. We agreed that we would continue to evolve the succession plan further each year as required and to consider development plans for high performing individuals as necessary.

Board Evaluation

During the year the Board addressed the feedback from the 2023 Board Evaluation.

The Nomination Committee agreed that the Company's annual Board Evaluation for 2024 should remain consistent with the previous year's approach. A formal and rigorous internal performance evaluation was undertaken in respect of the Board and each of its Committees, covering processes that underpin the Board and Committee effectiveness, Board and Committee constitution and commitment, Board dynamics, culture, values and strategy and stakeholder oversight. The evaluations were conducted by way of online questionnaires, with responses provided to the Chair and the Company Secretary, followed by further calls between each of the individual Directors with the Chair and the Company Secretary. A summary of the responses was provided and discussed at the Board's meeting in December 2024. The Senior Independent Director met with the Directors to review the Chair's performance.

The results of the Board evaluation continued to indicate strong performance and effectiveness of the Board and Committees. It was noted that they were well chaired and supported by the Company Secretarial department and by the Executive Management sponsors. The corporate governance structure was considered to be commensurate with the Company's size and requirements. Importantly, the dynamic between the Non-Executive Directors and the Executive Directors was considered to be strong and professional, with the appropriate level of constructive challenge and support being provided.

Key themes that surfaced for focus and development included:

- Evolving oversight of the US business, to include the governance structure and addition of a US Non-Executive Director if appropriate.
- Succession planning and key person risk management.
- Frequency and administrative load of Board and Committee meetings.
- Evolution of the Deep Dive format.
- Continuing to progress colleague engagement initiatives, ensuring the right balance of oversight with involvement.

The Nomination Committee will consider adopting an externally facilitated Board evaluation in due course, aligning with the UK Corporate Governance Code requirement for FTSE 350 companies to carry out an externally facilitated evaluation of the Board at least every three years.

Our Commitment to Inclusion

Our vision is to live in a world where everyone can enjoy a happy retirement. Closely aligned with our vision, mission and values is our approach and commitment to inclusion, equality and diversity. We believe that leading with inclusion and equality will drive the right behaviours, and bring people together, through recognising that when we treat people well as individuals, there's something in it for everyone. Our aim is a team where everyone can thrive.

We welcome everyone regardless of gender, race, religion, size, age, sexuality or disability and aims to create an inclusive working environment in which everyone has equal access to opportunities and is treated with fairness and dignity. The Company is committed to promoting the principles of inclusion, equality and diversity, preventing unlawful discrimination and ensuring that all colleagues feel respected and safe at work. We promote this through measures such as training, anonymised hiring and promotion cycles and inclusion in the Company's performance matrices, but also importantly through its annual diversity programme, which is led by the Executive Management Team.

During the year, the Company has proudly achieved: 50% female and minority gender representation across the Company, 50% at Executive Management level and 57% at Board level, achieving the Company's broad goal to achieve gender balance at all levels and exceeding the FCA's requirements for companies to have at least 40% women on the board and at least one senior board position being held by a woman.¹⁷³ The Company also achieved 35% Asian/Black/Mixed/Multiple/Other ethnic representation across the Company, 10% at Executive Management level and 14% at Board level, in line with the FCA's requirement for at least one board member being from an Asian/Black/Mixed/Multiple/Other ethnic background.¹³² Appointments to the Board and Committees are based on merit, taking into consideration the individual's skills, knowledge and experience, but there is also a focus on promoting diversity among the Board and Committees so as to ensure the composition is appropriately balanced.

As part of the work of the Nomination Committee, we reviewed the Inclusion, Equality & Diversity Policy, together with the results of the Company's Annual Engagement Survey, reviewing progress made across the year and discussing future plans. Further detail is set out on pages 46 to 48 (Stakeholder Engagement) within the ESG Considerations section and on pages 10 to 14 of the Our People section of the Strategic Report.

Nomination Committee Evaluation

During 2024, the Board carried out an internally facilitated Board Effectiveness evaluation that included an assessment of the Committee's performance. I am pleased that this concluded that we continue to operate effectively. The Board was satisfied that the Committee's composition was appropriate with the right balance of skills and experience among its members.

Nomination Committee Priorities for 2025

For 2025, the Committee will focus its work around the further evolution of its succession plan and team development, continuing to consider any actions that need to be taken with respect to supporting the business, with a lens of increasing diversity as needed.

Appointment of Directors

The Committee is satisfied with the Board's effectiveness and has recommended that all members of the Board be put forward for appointment at the 2025 Annual General Meeting.

Mark Wood CBE

Chair of the Nomination Committee
12 March 2025

¹⁷³ Chapter 6 of the Listing Rules, specifically UKLR 6.6.6R(9) states that at least 40% of individuals on the board should be women, at least one at least one of the senior positions on the board (chair, chief executive, senior independent director or chief financial officer) should be held by a woman, and at least one individual should be from a minority ethnic background. At PensionBee, the Chief Executive Officer role has been filled by a woman since the Company's inception in 2014, the Senior Independent Director role has been filled by a woman since November 2020 and there has been one board member from a minority ethnic background since April 2022. Supported by analysis from PensionBee's HR information system, December 2024.

05 Investment Committee Report



Mark Wood CBE
Chair, PensionBee Investment Committee

Dear fellow shareholder,

On behalf of the Board, as Chair of the Investment Committee ('Committee'), I am pleased to present the Investment Committee Report for the financial year ending 31 December 2024. This report provides shareholders with insight into the areas of focus considered and the nature of the work undertaken by the Investment Committee.

2024 has been a positive year for pension savers, who benefitted from stronger equity markets and an improved outlook for bonds due to the expectation of falling interest rates. During the year, the Investment Committee oversaw the conclusion of the investment plan range review, a multi-year project aimed at ensuring that our investment offering continues to meet the changing needs of our target market coinciding with reaching our ten-year anniversary since inception. Our focus continues to be ensuring that our simple and easy-to-understand investment plan range aligns with our customers' objectives, with value for money and customer-led plan innovation placed front and centre. As a result of our plan review we announced changes to our default strategy, to better serve the needs of our customers in their accumulation years, with a focus on greater transparency and more opportunity for growth.

Independent assessment of our plan range by AgeWage concluded that our investment plans offered good value compared to the average UK pension. Our Governance Advisory Arrangement ('GAA') assessment, led by ZEDRA Trustees, concluded again in 2024 that the PensionBee Investment Pathways product decumulation range continued to provide excellent value for money, for a third year running. The Investment Committee has also continued to ensure our money managers are held responsible for providing the highest levels of service and security for our customers.

We are pleased to have overseen and launched another customer-led responsible investing innovation for the UK market. In 2024, we launched our Climate Plan, a significantly updated approach to fossil fuel free investing, in response to customer demand for an investment plan aligned with international climate agreements. The plan was specially created and customised for our customers in partnership with State Street Global Advisors, and targets an ambitious 10% year on year carbon reduction pathway. Finally, we were pleased to announce the expansion of our coverage under Voting Choice, enabling proxy voting for 94% of the investment plan range.¹⁷⁴ We have continued to work closely with our money managers to expand the scope of ESG screening in line with customer demand and with a focus on the continuous evolution of our investment plan range, to ensure it remains market-leading.

Role and Responsibilities

The role of the Investment Committee is set out in its terms of reference, which is available on the Company's website: pensionbee.com/esg. The duties of the Investment Committee include, but are not limited to the following:

Duties of the Investment Committee
Reviewing the available range of investment plan options for customers, including in accumulation and decumulation
Reviewing the selection or change of investment plans and money managers
Reviewing the choice architecture available to customers
Reviewing the pricing of each investment plan relative to peers
Reviewing the performance of each investment plan relative to peers
Reviewing the risk profile of each investment plan
Reviewing the processes around customer communication and support
Reviewing the administration, service and core financial transactions
Reviewing the environmental, social and governance considerations

¹⁷⁴ Reflects 94% of the Assets under Administration across the Tailored, Tracker, Climate and 4Plus Plans as at 31 December 2024. See definitions on page 45 of the Measuring our Performance section of the Strategic Report.

Reviewing the retirement offering
Reviewing asset manager terms and performance, including service levels, breaches and changes to terms and conditions
Overseeing the selection process for the appointment of, and ongoing relationship with, the GAA

The Investment Committee assists the Board in discharging its responsibility for oversight of PensionBee's investment proposition. The Investment Committee is responsible for reviewing the Company's investment plan range, including the range of options available to customers, the selection or change of money managers, the pricing, performance and risk profile of each investment plan. We also review the performance of our money managers.

The Investment Committee assists the Board, including by making recommendations regarding the appointment and removal of money managers, coordinating the tender process, approving remuneration and overseeing the relationship with the GAA, which assesses the design and implementation of PensionBee's investment pathways solution.

Committee Members and Attendance

Committee Members	Position	Eligible Meetings	Attended Meetings
Mark Wood	Chair of the Committee	3	3
Michelle Cracknell	Independent Non-Executive Director	3	3
Lara Oyesanya	Independent Non-Executive Director	3	3
Mary Francis	Senior Independent Director	3	3
Romi Savova	Chief Executive Officer	3	3

The Investment Committee must comprise not less than three Directors, of which at least two must be Non-Executive Directors who are independent. Further biographical details are set out on pages 83 to 88 of the Board of Directors and Executive Management section of the Corporate Governance Report.

Meetings are held at least three times a year at appropriate times and otherwise, as required. The Investment Committee met three times during the year to 31 December 2024, with all meetings being held by video conference. In addition to the Committee members, other regular attendees included the Chief Engagement Officer and other members of the Executive Management Team.

The Chair of the Committee reports to the Board on the Committee's proceedings in respect of all matters within its duties and responsibilities on an ongoing basis, as required.

Committee Key Activities

2024 Key Activities
Ensuring our Plan Range Offers Value for Money
2023 Price and Value Report (as part of the FCA's Consumer Duty), with an expanded approach to measuring the value of our service
Confirming the investment plans continued to offer value for money, taking action to retire/launch plans where better value options existed for our customer base
Completing our multi-year investment plan range review
Annual GAA value for money review of our decumulation range, led by ZEDRA Trustees (scoring excellent for the third year running)
Comparing value across plans using the AgeWage scoring methodology, as part of our ongoing value for money assessment
Monitoring Asset Manager Performance
Assessing asset manager performance against our contractual terms
Annual review of duties and responsibilities to report back to the Board
Embedding our electronic fund trading capabilities through Calastone
Reminding all our money managers of their legal obligations and liability with regard to customer funds
ESG Integration

Launching the Climate Plan, our first Paris-aligned investing option
Voting using the ISS SRI Voting Policy (for our Tailored, Tracker, Climate and 4Plus Plans)
Completing our third year of TCFD reporting, expanding the scope of our data analysis to include our US operations and further material Scope 3 categories
Annual surveying of customers to ensure our plans align with their ESG and voting views
Making progress towards our public net zero targets in line with the 1.5°C Paris Agreement ¹⁷⁵

Investment Committee Evaluation

During 2024, the Board carried out an internally facilitated Board evaluation that included an assessment of the Committee's effectiveness and performance. I am pleased that this concluded that we continue to operate effectively in our oversight of the Company's investment proposition and money managers' performance. The Board was satisfied that the Investment Committee's composition was appropriate with the right balance of skills and experience among its members.

Investment Committee Priorities for 2025

For 2025, the Committee will focus on overseeing work associated with further simplifying and streamlining the investment plan range, to offer a future-proofed set of investment solutions, maintain our position as a market innovator and leave us well-positioned for the coming years. A particular focus for 2025 will be developing our range of customer educational content on pensions and investments.

We will continue to expand the scope of our climate reporting in 2025. In light of our US expansion, a growing asset base and advances in climate science, we will reassess our boundaries and make any necessary changes to our public net zero commitments, as part of the Target Review Process. We will continue to work with our money managers and data providers to improve the quality and coverage of our Scope 3 Category 15 emissions reporting.

Finally, we will conduct our fourth GAA assessment of the decumulation range and annual value for money review of all plans, as part of the Consumer Duty Report, in 2025. We will continue to use AgeWage scoring to externally assess the value of our investment plan range against the UK pension market. We will expand our understanding of value and work to incorporate the latest relevant approaches from regulators on a voluntary basis. We do this with the aim of holding ourselves, and our investment plan range, to the highest levels of accountability.

Mark Wood CBE
Chair of the Investment Committee
12 March 2025

¹⁷⁵ The Paris Agreement is a legally binding international treaty that aims to reduce greenhouse gas emissions and limit global warming. It was adopted in 2015 at the UN Climate Change Conference (COP21) in Paris, France, and entered into force in November 2016. Its overarching goal is to hold 'the increase in the global average temperature to well below 2°C above pre-industrial levels' and pursue efforts 'to limit the temperature increase to 1.5°C above pre-industrial levels'.

06 Audit and Risk Committee Report



Michelle Cracknell CBE
Chair, PensionBee Audit and Risk Committee

Dear shareholder,

On behalf of the Board, as Chair of the Audit and Risk Committee (the 'Committee'), I am pleased to present the Audit and Risk Committee Report for the year ended 31 December 2024.

This report highlights the work that has been performed over the year and outlines how we met our objectives and discharged the responsibilities delegated to the Committee by the Board.

During the year, the Committee focused on its key responsibilities of assisting the Board by overseeing the Group's financial reporting, effectiveness of the internal control environment, internal audit tender process and by providing oversight of the external auditor relationship and processes. The Committee also assessed the independence and objectivity of the external auditor.

The Committee assists the Board in its oversight of risk within the Group and protection of the Company's shareholders' interests in relation to the integrity of the Group's financial reporting and the processes and controls that support it. The Committee acts independently of management. It has a particular focus on monitoring the effectiveness of, and improvements being made to, the Group's risk management framework and internal control environment. This includes the documentation and communication of the Group's policies, internal controls, activities of the First Line and Second Line of defence in managing risks in accordance with the Group's risk appetite and the auditing activities with respect to regulatory and information security compliance. As is customary, the Board as a whole remains responsible for the Group's risk management and strategy, and for determining the appropriate risk appetite.

Further information on the Committee's activities is provided as follows.

Role and Responsibilities

The role of the Audit and Risk Committee is set out in its terms of reference, which is available on the Company's website :pensionbee.com/esg. The duties of the Audit and Risk Committee include, but are not limited to:

Duties of the Audit and Risk Committee
Monitoring the integrity of the financial statements of the Group and reporting to the Board on significant financial reporting policies and judgements. Reviewing and challenging, where necessary, the accounting policies and disclosures selection or changes
Reviewing the content of the annual report and financial statements and advising the Board on whether it is fair, balanced and understandable
Overseeing the relationship with the external auditor and making recommendations to the Board regarding the appointment and re-appointment of the external auditor
Reviewing the annual audit plan and audit findings report
Assessing the external auditor's independence and objectivity and approving non-audit services
Reviewing the effectiveness and quality of the external audit process, taking into consideration relevant UK professional and regulatory requirements
Assisting the Board with the definition and execution of a risk management strategy, risk policies and current risk exposure
Reviewing the internal audit plan, internal audit findings report, activities and effectiveness of the internal audit function
Reviewing the adequacy and effectiveness of the Group's risk management systems and internal controls
Reviewing the adequacy and security of the Group's whistleblowing arrangements and procedures related to fraud, bribery and money laundering

Committee Members and Attendance

Committee Member	Position	Eligible Meetings	Attended Meetings
Michelle Cracknell	Chair of the Committee	7	7
Mary Francis	Senior Independent Director	7	7
Lara Oyesanya	Independent Non-Executive Director	7	7

The Audit and Risk Committee comprises three independent Non-Executive Directors as per the UK Corporate Governance Code. All members of the Committee are also members of the Remuneration Committee. The Committee members continue to bring a diverse range of experience in risk, internal controls, finance and business, with particular experience in the financial services sector in which the Group operates.

Michelle Cracknell, Mary Francis and Lara Oyesanya were members of the Audit and Risk Committee for the year ended 31 December 2024. Michelle Cracknell is a qualified actuary with more than 30 years' experience in financial services and more than 25 years' experience as a Board Director, including over eight years of experience as an Audit and Risk Committee Chair. Further biographical details are set out on pages 83 to 88 of the Board of Directors and Executive Management section of the Corporate Governance Report.

Meetings are held at least four times a year at appropriate times in the financial reporting and audit cycle, and otherwise as required. The Committee met seven times during 2024. In addition to the Committee members other regular attendees included the Board Chair, Chief Executive Officer, Chief Financial Officer, Chief Risk Officer, Chief Technology Officer, Chief Business Officer UK and the Finance Director. The external auditor, Deloitte LLP ('Deloitte'), also attended on most occasions. After each meeting, the Chair of the Committee reports to the Board on the Committee's proceedings in respect of all matters within its duties and responsibilities.

Committee Key Activities

2024 Key Activities
Financial Statements
Reviewing the 2024 reporting timeline: The Committee considered and concluded that the 2024 reporting timeline would meet the requirement for timely reporting to shareholders and advised the Board on its reasonableness.
Reviewing the Annual Report and Financial Statements for fair, balanced and understandable reporting: The Committee assessed whether the Group achieved fair, balanced and understandable reporting in its Annual Report and Financial Statements 2024. During its review, the Committee challenged management on the accuracy, transparency and completeness of disclosures, considering the content and tone used in the annual report. The Committee considered the impact of the external auditor's findings on the financial statements to ensure that the financial statements give a true and fair view of the financial position and performance of the Group. The Committee considered the narrative section of the Annual Report and Financial Statements 2024 to ensure its consistency with the information reported and that appropriate weight had been given to both positive and negative aspects of the performance of the Group. Having evaluated all of the available information, the assurances provided by management and underlying processes used to prepare the Group's financial information, the Committee concluded, and advised the Board as such, that the Annual Report and Financial Statements 2024 were fair, balanced and understandable and established the context necessary to give shareholders and other stakeholders a balanced view between successes, opportunities, challenges and risks.
Reviewing the Interim Report for fair, balanced and understandable reporting: The Committee assessed whether the Group achieved fair, balanced and understandable reporting in its Interim Report 2024. During its review, the Committee challenged management on the accuracy, transparency and completeness of disclosures, considering the content and tone used in the Interim Report 2024. The Committee considered the impact of the external auditor's findings on the Interim Report 2024 to ensure that the Interim Report 2024 gives a true and fair view of the financial position and performance of the Group. The Committee considered the narrative section of the Interim Report 2024 to ensure its consistency with the information reported and that appropriate weight has been given to both positive and negative aspects of the performance of the Group. Having evaluated all of the available information, the assurances provided by management and underlying processes used to prepare the Group's financial information, the Committee concluded, and advised the Board as such, that the Interim Report 2024 was fair, balanced and understandable and established the context necessary to give shareholders and other stakeholders a balanced view between successes, opportunities, challenges and risks.
Reviewing the going concern assumption and liquidity risk: The Committee assessed the appropriateness of the going concern assumptions by reviewing the stress testing assumptions and results, the capital and liquidity forecast and the Group's strategy. The Committee concluded that the financial statements should be prepared on a going concern basis and that there were no material uncertainties that would impact the Group's ability to continue in operational existence for the foreseeable future which would require disclosure. The Committee recommended the going concern assumptions and liquidity risk to the Board.
External Audit
Reviewing the management representation letters: The Committee reviewed the content of representation by management to the external auditor for half-year reporting and full year reporting and concluded that sufficient representation was achieved as requested by the auditor. The management representation letters were recommended to the Board.

Reviewing the half year audit programme, auditor's report on the financial statements and auditor's report to the Audit and Risk Committee: The Committee met with key members of the Deloitte audit team to discuss the 2024 interim audit review plan, materiality and the auditor's areas of focus. The Committee was satisfied with the appropriateness of Deloitte's audit plan. The Committee had detailed discussions with the auditor on the audit report and the auditor's report to the Committee, with most of the focus being on the audit procedures performed and the findings. The Committee approved the interim audit plan and confirmed its satisfaction with the reports issued by the auditor.
Reviewing the full year audit programme, auditor's report on the financial statements and auditor's report to the Audit and Risk Committee: The Committee met with key members of the Deloitte audit team to discuss the 2024 full year audit plan, materiality and the auditor's areas of focus. The Committee was satisfied with the appropriateness of Deloitte's audit plan. The Committee had detailed discussions with the auditor on the audit report and the auditor's report to the Committee, with most of the focus being on the audit procedures performed and the findings. The Committee approved the full year audit plan and confirmed its satisfaction with the reports issued by the auditor.
Governance
Reviewing the Audit and Risk Committee 2025 meeting calendar: The Committee reviewed its 2025 meeting calendar, giving consideration to its duties and responsibilities as set out in the UK Corporate Governance Code. The Committee concluded that its calendar had sufficient and appropriate content to enable it to discharge its responsibilities.
Undertaking the Committee effectiveness evaluation: The Committee conducted an effectiveness review as part of the evaluation process and was satisfied that the Committee composition was appropriate, there was an adequate balance of skills and experience, and the Non-Executive Directors remained independent. The effectiveness review confirmed that the Committee was operating effectively with appropriate levels of engagement with the Board, external auditor and Executive Management.
Reviewing the Committee terms of reference: The Committee reviewed its terms of reference to confirm that they were still reflective of the most up to date UK Corporate Governance Code requirements and the Group's risk profile. No material changes were deemed necessary. The Committee will continue to monitor any future changes to the UK Corporate Governance Code and the Group's risk profile and ensure that its terms of reference are kept up to date.
Risk Management and Internal Controls
Reviewing principal risks and uncertainties: The Committee reviewed the Group's principal risks and uncertainties to confirm their completeness and the assessed potential impact on the Group operations and financial performance. The Committee considered the identified principal risks and uncertainties to be complete, and that the Group's strategy was appropriate in respect of such risks.
Reviewing overall internal controls and risk management systems: The Committee reviewed the appropriateness of the risk management systems, and implementation, design and operating effectiveness of key controls through regular reports and updates from management. Information Security and Consumer Duty controls remained an area of focus. The Committee reviewed reports of ongoing documentation, review and enhancement of key financial processes and controls as part of the Group's continuous improvement culture. Audit findings on internal controls were discussed with the auditors and management. The Committee considered the Group's internal controls and risk management systems to be sufficient and appropriate.
Reviewing whistleblowing and anti-bribery and corruption policies: The Committee reviewed the whistleblowing and anti-bribery and corruption policies, giving consideration to the changes in the regulatory landscape and changes in the business during 2024. The Committee considered the existing policies sufficient and appropriate for the Group.
Reviewing the related parties list: The Committee monitors the related parties list which is used to assess the accuracy of disclosures by management in the financial statements. The list was considered complete based on the knowledge of the Committee and inquiries with Executive Management and the Board.
Approving the 2025 risk management plan: The Committee approved the 2025 risk management plan, following a detailed review of the plan presented by the Risk Team. The Committee considered the risk management plan to be appropriate and sufficient to address the risks applicable to the Group.

Financial Reporting

Group Financial Statement Reporting

One of the core responsibilities of the Committee is to ensure the integrity of the financial statements of the Group. For the financial year, the Committee:

- Reviewed the Interim Report 2024 and Annual Report and Financial Statements 2024 and recommended approval to the Board.
- Reviewed the completeness of the financial reporting disclosures.
- Reviewed the application and appropriateness of accounting policies.
- Reviewed the going concern assumptions and viability statement.
- Assessed compliance with relevant accounting standards and other regulatory financial reporting requirements including the UK Corporate Governance Code and European Single Electronic Format ('ESEF') requirements.

Significant Matters Considered by the Committee in Relation to the Financial Statements

Significant accounting policies and accounting judgements are identified by management and the external auditor and are reviewed and challenged by the Committee. The significant accounting policies and judgements considered by the Committee, and details of how they were addressed in respect of the year ended 31 December 2024, are set out below:

Areas for Consideration	Committee Review and Conclusion
Revenue Recognition	The Committee reviewed management's approach to revenue recognition against the accounting standard requirements. The Committee noted the consistency of approach with prior years and the detailed assessment that was performed by management when the revenue accounting standard was being adopted. The Committee was satisfied that Revenue was appropriately recognised.
Share-based Payments	The Committee considered the grant date fair value, vesting conditions, initial recognition and subsequent measurement of share options as set out in the accounting standard. The Committee was satisfied that Share-based Payment transactions were appropriately accounted for.
Intangible Assets	Internally generated intangible assets were recognised for the first time in 2024. The Committee reviewed the accounting treatment of Research and Development costs, the relevance, and whether an intangible asset should be recognised in accordance with IAS 38 (Intangible Assets). The Committee was satisfied that the Intangible Assets accounting standard was appropriately applied.
Income Taxes	The Committee considered the Group's tax position and the accounting standard requirements on recognition of a deferred tax asset. The Committee concluded that it was appropriate not to recognise a deferred tax asset for the year ended 31 December 2024. The Committee was satisfied that the Income Taxes accounting standard was appropriately applied.
Leases	The Committee reviewed the basis of accounting for all types of leases: short term and long term, low value and high value leases. The Committee was satisfied that leases were appropriately accounted for.
Investment in Subsidiaries Valuation	The Committee reviewed the assessment for impairment and the basis of accounting for the investments held by the Company in the Subsidiaries. The Committee was satisfied that the investment valuation methods applied by management were appropriate and that the measurement and disclosure of investments in subsidiaries were sufficient and appropriate.
FRS 102 for PensionBee Group plc Standalone Financial Statements	Due to practical reporting considerations, the Committee reviewed the existing accounting frameworks mix within the Group. The Committee was satisfied with the adoption of FRS 102 for PensionBee Group plc standalone accounts and IFRS for the consolidated financial statements.
Transfer Pricing	The Committee reviewed the transfer pricing policy that was adopted by the Group following the international expansion into the US to confirm its appropriateness. The review was done by challenging the transfer pricing approach, value chain analysis and benchmarking results presented by management. The Committee concluded that the transfer pricing policy adopted by the Group was appropriate.

In each case, the Committee reviewed and challenged management on the appropriateness of these accounting policies and how they were being applied to the Group's financial statements. Having reviewed all the available information, the Committee concluded that the accounting policies were being appropriately applied to the Group's financial statements.

Going Concern and Viability Statement

In addition to considering significant accounting policies and judgements, the Committee plays an important role in the production of the Annual Report and Financial Statements 2024 and the Interim Results 2024. This includes reviewing and challenging the assumptions that support the use of the going concern basis for the preparation of the financial statements and the statement given by the Directors as to the Group's longer-term viability.

The Committee reviewed and challenged the detailed management analysis elaborating on the going concern assumptions and the Viability Statement. This included the KPIs, profit and loss, cash flow, balance sheet and capital forecasts on a monthly basis. The Committee considered additional stress tests, including a sharp decline in equity markets, the worsening of conversion and lower transferred-in retirement account sizes, all of which could potentially be caused by the increased cost of living in the UK and the US and geopolitical disruption. Furthermore, the Committee considered mitigating actions proposed by management in the stress scenarios and considered the growing strength of the Group's financial position over 2024 (in light of it achieving Adjusted EBITDA breakeven for the year ended 31 December 2024, driven by Adjusted EBITDA profitability in the UK business) and the strength of PensionBee's positioning within the UK and the US competitive landscapes. A conservative approach was adopted for this assessment, focusing on the established operational viability of the UK business. The consideration of the US market opportunity has been accounted for by excluding associated US business revenue and other income. However, associated potential US operating costs and short-term funding requirements remain factored into the group's overall financial resource calculations. After due consideration, the Committee recommended to the Board that it was appropriate for the Group to adopt the going concern basis of accounting in the preparation of the Annual Report and Financial Statements 2024 and that based on the current information, the Directors could make the Viability Statement as shown on page 78 of the Strategic Report.

Principal Risks

The Board has identified and set out key risks which, if they were to materialise, could have an impact on the Company's ability to meet its strategic objectives ('Principal Risks'). These Principal Risks include Regulatory Risk, Information Security Risk, Operational Risk, Financial Risk, Strategic Risk and Climate Risk and are further detailed on pages 70 to 77 of the Managing our Risks section of the Strategic Report.

Risk Management Framework

The Committee monitors the risk profile of the Group and reviews the effectiveness of the Group's internal controls and the risk management framework overall. The Group's risk management framework and the associated systems and processes are designed to identify, evaluate and manage risks within the risk appetite set by the Board.

The risk appetite statements, which set out the acceptable risk levels for all Principal Risks, were reviewed and approved by the Board twice during the year. With respect to most risks, the risk appetite is Low, and it is generally Medium where a risk arises as a function of the business model. There are currently no residual risks rated High, and in cases where a residual risk is rated Medium and is outside of (the Low) risk appetite, prompt action is taken to reduce the risk by strengthening the controls. The Committee monitors all risks and oversees progress with the control improvement work.

The Second Line of Defence risk reporting enables the Committee to form its view on how effectively the risks have been assessed and mitigated, and whether necessary actions are being taken promptly to remedy any failings of key controls, therefore ensuring that the Group continues to operate in line with its business objectives, internal policies and regulatory requirements.

In addition, the Third Line of Defence independent assurance activities are performed in accordance with a schedule overseen by the Committee. The Group employs external parties to provide this assurance, and these parties are appointed based on their sector expertise, for example investment management, finance, compliance and information security expertise. Additional external assurance activities are conducted as required including where there are emerging risks. The Committee is kept up to date with the work of these parties.

During 2024, the Group continued to embed the risk framework, emphasising collaboration across departments and levels as we systematically roll out the risk management capabilities across the US entity to ensure operation within the Board's risk appetite globally, while promoting resilience.

Through its oversight during 2024, the Committee maintained a good understanding of principal and emerging risks, and also gained assurance over the management's effectiveness and decision-making processes.

Information Security Risk Management Framework

In 2024, PensionBee completed a successful transition of the Information Security Management System ('ISMS') from ISO 27001:2013 to the ISO 27001:2022 standard. The ISMS is a part of a wider strategic aim and the successful transition demonstrates our commitment to continuous improvement in information security.

Information Security and Cyber Risks are mitigated using a defence-in-depth approach, providing multiple layers of controls. This includes continuously improving the human resources related controls (e.g. the risk of staff clicking on phishing emails), as well as enhancing the controls across the IT estate.

Our Information Security Team uses real-life scenarios to create plausible cyber security and data compromise scenarios, which are simulated to help focus on continuous improvement. External expertise and specialist resources are also utilised to ensure the evolving and emerging cyber risks are proactively managed.

Over the past year, PensionBee has continued to invest in the 'BeeSecure' information security programme, achieving significant maturity and strengthening our capability to address evolving cyber threats. The ongoing commitment underscores the importance we place on safeguarding our information assets and mitigating cyber security risks.

2025 Risk Management Plan

The risk management plan is reviewed and approved each year by the Committee. It enables the Group to systematically evolve the risk management framework, align risk management with strategic objectives for the year, and ensure the Group continues to operate in a secure and resilient manner.

The Group's risk management focus in 2025 will be on resilience, scalability and efficiency. We will prioritise deriving additional value from the risk systems, working to evolve our resilience and recovery capabilities, continuing to expand the risk management knowledge across the Group, and continuing to strengthen our Information Security Programme to ensure continuous improvement and robust protection against the evolving information and cyber security challenges. We will also work to gradually roll out the risk management capabilities globally to ensure we consistently operate within the Board's risk appetite.

External Assurance

The external assurance activities are performed to ensure the accuracy and credibility of reporting, gain required assurance over the management of risk, demonstrate a commitment to responsible and transparent business practices and to build trust among stakeholders. The Committee oversees the external assurance scope, activities and findings. This includes the following audits.

Regulatory Audit

The Group employs Enhance Support Solutions in the UK to verify that it continues to operate in compliance with relevant laws, regulations and industry standards. In 2024, this semi-annual audit included an independent review of the discharge of the Group's regulatory obligations including the Senior Managers and Certification Regime, employee training, administration standards and management information, reporting obligations, identification of risk and risk oversight, and internal processes. The Committee had visibility of the progress and satisfactory completion of the audit, with PensionBee exceeding the cohort scores.

In addition, compliance consultants have been employed to assess our compliance programme and help us achieve and maintain regulatory compliance in the US.

Internal Audit

In line with the Code, the Committee reviewed the need for internal audit and it was agreed that an outsourced Internal Audit function would become effective in 2025, with a direct reporting line to the Committee. The decision to appoint an internal audit was thoroughly evaluated by the Committee based on the size and complexity of the Group. With the current independent reviews by external auditors and other assurance providers being an effective part of the current checks and balances of our Three Lines of Defence model, it was deemed that onboarding an outsourced internal audit function represented the appropriate step given the Group's growth and risk management strategies.

The Committee was directly involved in the selection of an outsourced partner for Internal Audit. As a part of the Group's governance structure, this will provide additional independent assurance over the effectiveness of risk management, internal controls, governance processes and operational efficiency within the Group. The Internal Audit plan will be determined using a risk-based approach following an initial enterprise risk review, and will be approved by the Committee.

Information Security Certifications

PensionBee's ISMS is certified to the internationally recognised ISO 27001:2022 standard for the management of information security. PensionBee also holds the Cyber Essentials Plus certification, which is a Government-backed scheme to help organisations improve cyber security controls. The BeeSecure information security strategy has also been developed using principles of the National Institute of Standards and Technology's Cybersecurity Framework, which is commonly used in the financial services industry as a comprehensive framework to manage cyber risk. The three frameworks are complementary and help improve information and cyber security controls under the ISMS.

The ISMS is also subject to a comprehensive annual audit programme, which provides independent and objective assurance on the system. The Information Security Committee ('ISC') provides oversight of the ISMS, tracks progress against its objectives and monitors the results of the audit programme. The ISC is held three times per year and the members include senior stakeholders from the business, such as the VP Information Security, members of the Executive Management Team and the Risk Management Team. Ultimate oversight of the ISC is provided by the Committee.

External Audit

Deloitte is PensionBee's external auditor, with 2024 being their fourth financial year as the Group's external auditor. Kieren Cooper has fulfilled the role as lead audit partner for all four financial years.

The Committee oversees the audit relationship with Deloitte. The Committee's responsibilities include appointing, re-appointing and removing the external auditor and overseeing their effectiveness, independence and objectivity.

During 2024, the Committee approved the re-appointment of the auditor, the proposed audit fee and terms of engagement for the financial year ended 31 December 2024. The Committee assessed the effectiveness of the external auditor by reviewing the audit plan presented by Deloitte to assess the adequacy and appropriateness of the proposed audit procedures, completeness and relevance of the identified audit risks and the audit team composition and rotation. Discussions were held between the Chair of the Committee and the lead audit partner, in the absence of management. The Committee considered and concluded that Deloitte was effective and independent.

Non-Audit Services Policy

The Committee reviewed the existing non-audit services policy ('NAS Policy') and confirmed that it was still sufficient and appropriate for the Group. The NAS Policy is reviewed annually by the Committee to safeguard the ongoing independence of the external auditor and to ensure compliance with the Financial Reporting Council's Ethical Standard.

The Committee acknowledged the benefits that can be realised in using the external auditor for non-audit services due to their understanding of the business. In the circumstance where Deloitte is engaged to provide non-audit services, the NAS Policy governs the provision of these services and ensures they do not impair the external auditor's independence and objectivity.

Before proceeding with a non-audit service, the fee comparative to the audit, types of services, and external auditor independence are considered. The Committee's approval has to be achieved before the external auditor is engaged to provide non-audit services. For permitted non-audit services that are deemed to not be material, the Committee has pre-approved the use of the external auditor for cumulative amounts totalling less than £50,000. The threshold up to £20,000 requires the approval of the CFO or the CEO. Non-audit fees within the threshold of £20,001 to £50,000 require the approval of the CFO and the CEO.

Non-audit fees paid to the external auditor should not exceed 70% or more of the average audit fees for three consecutive financial years starting from the Company's IPO. The cap became effective from April 2024, after the three year grace period as a public interest entity ('PIE') from the time of the IPO.

The external auditor did not undertake any non-audit work during the year and none was undertaken in 2024. The Committee is satisfied that the external auditor's independence has not been impaired by their provision of non-audit services.

External Auditor Fee

An overview of the total fees paid to Deloitte are shown in the table that follows:

Item	2024 (£ 000)	2023 (£ 000)
Other Assurance Services	-	-
Tax Structuring Services	-	-
Audit Related Services	40	47
Financial Statements Audit Services	216	168

Details of the fees paid to Deloitte during the year are shown in Note 11 of the Financial Statements.

Compliance, Whistleblowing, Anti-Bribery and Corruption and Financial Crime

The Group maintains a robust set of Compliance policies that are documented and managed on a dedicated platform. During the year there were no whistleblowing incidents reported (2023: nil).

Whistleblowing

The Group's Whistleblowing Policy outlines the Group's approach to whistleblowing. The policy recognises that whistleblowing is an important activity that helps firms to learn about and resolve problems before they escalate further. The aim of the policy is to ensure the Group has a fit-for-purpose whistleblowing procedure that encourages employees to come forward with disclosures without fear of reprisal. The Group's whistleblowing champion is Michelle Cracknell, Chair of the Audit and Risk Committee.

Anti-Bribery and Corruption

The Group has zero-tolerance for bribery and corrupt activities, as outlined in its Anti-Bribery and Corruption Policy. The aim of the policy is to help PensionBee uphold all laws relating to anti-bribery and corruption. The anti-bribery policy applies to all Directors, officers, employees, consultants, contractors, interns, or any other person or persons associated with the Group (including third parties), no matter where they are located (within or outside of the UK).

All PensionBee employees must complete anti-corruption, anti-bribery and financial crime training, as part of their annual Compliance Test. They must complete this within a month of joining the Company and at least annually. Training is compulsory for employees at all levels, including the Board. Training is updated annually to reflect changes in legislation and best practice. Employees are required to pass a test on each unit with a minimum pass mark of 80%.

Financial Crime

PensionBee has a regulatory and legal responsibility to assist the authorities in countering the perpetration of financial crimes. Financial crimes include, but are not limited to, money laundering, terrorist financing and fraud. Financial crime is perpetrated by individuals and therefore this policy is closely linked to the Know Your Customer Policy. Fraud can lead to highly damaging outcomes for customers. Fraud risks are therefore also closely linked to the Transfer Out Policy and the Banking Policy, which cover the risks of making inaccurate payments.

Audit and Risk Committee Evaluation

During 2024, the Board carried out an internally facilitated Board effectiveness evaluation that included an assessment of the Committee's performance. The review concluded that we continued to operate effectively. The Board was satisfied that the Committee members had the relevant financial and commercial competence relevant to the sector in which the Group operates and that there was the right balance of skills and experience among its members.

Declaration on the Effectiveness of the Risk Management Framework

Upon review of the approaches taken and the work carried out during 2024, and based on the detailed reviews and recommendations by the Committee, the Board was satisfied that the Group continued to operate an effective risk management framework. This included the risk assessments against the Board's risk appetite, and a review of internal controls which have been found to mitigate risks whilst enabling the achievement of their intended objectives. Due to the dynamic nature of risks, where any room for improvement has been identified, this has either been appropriately remediated or is in the process of being addressed.

Audit and Risk Committee Priorities for 2025

For 2025, the focus areas for the Audit and Risk Committee are expected to include oversight of the effectiveness of the Finance function and the timetable for production of the financial information, oversight of the evolution of the risk management framework, a review of the Consumer Duty reporting, oversight of the outsourced internal auditor and a review of the links between the risk assessments and remediation activities for the Group's most significant risks (including Information Security Risk). The Committee will also review the work of the external assurance providers and reports from the external assurance providers.

Michelle Cracknell CBE

Chair of the Audit and Risk Committee
12 March 2025

07 Directors' Remuneration Report¹⁷⁶

Annual Statement by the Chair of the Remuneration Committee



Mary Francis CBE
Chair, PensionBee Remuneration Committee

Dear fellow shareholder,

I am pleased to present our fourth Directors' Remuneration Report for the year ended 31 December 2024, which has been prepared by the Remuneration Committee and approved by the Board.

The Report comprises three sections:

- This statement, being our annual report on the activities of the Remuneration Committee during the year.
- The Directors' Remuneration Policy ('Policy'), which was approved by a binding vote at the 2023 Annual General Meeting with 99.09% of votes in favour. No changes are proposed.
- The Annual Report on Remuneration, which explains how the Executive and non-Executive Directors have been rewarded in 2024 and how the policy will be applied in 2025. The report will be subject to an advisory vote at the 2025 Annual General Meeting.

We have prepared this report with reference to the principles of remuneration as set out in the UK Corporate Governance Code. Our objectives for the Policy and how they align with the Company's strategy and values are laid out on page 113. Our process and approach is laid out on pages 113 to 117 of this report.

Roles and Responsibilities

The role of the Remuneration Committee is set out in its terms of reference, which are available on the Company's website: pensionbee.com/esg. The duties of the Committee include, but are not limited to the following:

Duties of the Remuneration Committee	
Determining the Company's framework and policy for executive remuneration	
Setting remuneration for the Chairman and all Executive Directors and reviewing remuneration for senior management	
Reviewing workforce remuneration and related policies and the alignment of incentives and rewards with culture	
Considering remuneration arrangements with respect to the UK Corporate Governance Code requirements for clarity, simplicity, risk mitigation, predictability and proportionality	

Committee Members and Attendance

Committee Members	Position	Eligible Meetings	Attended Meetings
Mary Francis	Chair of the Committee	2	2
Michelle Cracknell	Independent Non-Executive Director	2	2
Lara Oyesanya	Independent Non-Executive Director	2	2
Mark Wood	Non-Executive Chair of the Board	2	2

¹⁷⁶ The Directors' Remuneration Report that follows has been prepared in accordance with the UK Listing Rules, the Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013 and the Companies Act 2006.

The Remuneration Committee must comprise not less than three Directors, all of whom are Non-Executive Directors who are independent. The Chair of the Remuneration Committee must not be the Chair of the Company, and should have served on a remuneration committee for at least 12 months prior to being appointed.

Mary Francis, Michelle Cracknell, Lara Oyesanya and Mark Wood were members of the Remuneration Committee throughout 2024. Further biographical details are set out on pages 83 to 88 of the Board of Directors and Executive Management section of the Corporate Governance Report.

Meetings are held at least twice a year at appropriate times and otherwise as required. The Committee met twice during 2024.

The Chief Executive Officer ('CEO'), the Chief Operating Officer ('COO') and the Company Secretary attended meetings by invitation to provide valuable input. However, no person plays any part in determining their remuneration.

After each meeting, the Chair of the Committee reports to the Board on the Committee's proceedings in respect of all matters within its duties and responsibilities.

The Company-Wide Context

2024 was an important year for PensionBee, as the Company pursued customer growth and the goal of Adjusted EBITDA profitability.¹⁷⁷ Customer numbers continued to grow throughout the year, and profitability (on an Adjusted EBITDA basis) was achieved in the UK, with breakeven for the Group, in line with the Company's external guidance. In addition, the Company embarked on its expansion to the US, the world's largest retirement market.

Against this background, the Remuneration Committee was pleased to endorse the bonus outcomes for the Executive Directors, which are described in the Annual Report on Remuneration, and to agree on full restricted share grants for the year ahead. There was no case this year for the exercise of downward discretion in relation to any aspects of Directors' remuneration.

Across the Company as a whole, the approach to remuneration continues to be underpinned by our duty of fairness to both customers and employees, as we continue to balance cash preservation with investment for growth, exercise vigilant control over risk, and ensure that we can recruit and retain talented employees. Emphasis continues to be placed on applying a similar reward structure across the Company, albeit geared more heavily to share-based performance rewards at the senior levels.

The remuneration arrangements in place in respect of the financial year 2024 were in full accordance with our Remuneration Policy. The Committee considered that it demonstrated an appropriate and conservative approach, with remuneration levels in line with (and, at the most senior levels, below) equivalent market levels. Performance-linked elements remained largely awarded in restricted share awards with a longer time horizon for vesting at senior levels, with more junior levels shifting to cash and shorter-vesting share awards.

The Company maintained its commitment to being a Living Wage employer for its most junior employees and conducted a benchmarking exercise for other roles across the Company, ensuring that base salaries for 2025 reflect UK labour market conditions.

For 2024, we achieved 50% female and minority gender representation across our Company (2023:51%).¹⁷⁸

Directors' Remuneration Policy

I now turn in more detail to the way we pay our Executive Directors. The Directors' Remuneration Policy requires approval every three years. In 2023, we sought and gained shareholders' approval for the Policy at the AGM for a three-year period. There are no changes to that policy this year, and we are confident that our approach continues to support the delivery of the Company's key objectives.

The Policy is set out in detail on pages 113 to 117 of this report, but the main features include:

- Below-market salaries until ongoing profitability is embedded for the medium term: this principle is well embedded in the Company, noting that the bonus and restricted share awards are also set by reference to these salaries.
- Pension alignment with the wider workforce.
- Annual performance-related bonus of up to 100% of salary, with at least 75% of the bonus being deferred into shares.
- A restricted share award of up to 125% of salary, subject to a performance underpin, vesting over 3-5 years and with a post-vesting holding period applied until the fifth anniversary of grant.
- Shareholding guidelines of 200% of salary, which continue to apply in full for a period of two years post the cessation of employment.
- Comprehensive malus and clawback provisions.
- The Policy will reach its third anniversary next year and, therefore, be subject to renewal at the 2026 AGM. The Committee will review the Policy over the course of the next year to ensure that it continues to operate as intended and will consult with our largest shareholders if material changes are proposed.

Directors' 2024 Bonus and Restricted Share Plan Awards

The annual bonus plan includes a mix of financial and non-financial performance measures. Financial measures account for 50% of the total potential, with quantifiable customer service measures accounting for a further 25% and personal measures, which include a combination of strategic, operational, financial and risk control measures (assessed in line with the Company's company-wide appraisal systems), accounting for the remaining 25%. Restricted Share Plan awards ('RSP Awards') also depend on an underpin, similarly based on financial, customer service and personal achievements during the previous year. The Company's commitment to delivering excellent outcomes for our customers, to risk management and to other relevant environmental, social and governance factors, is integral to setting personal bonus targets. Such factors are also considered by the Committee when assessing the appropriateness of the out-turn and the need for the application of discretion in relation to the annual bonus plan and RSP awards.

¹⁷⁷ See definitions on page 45 of the Measuring our Performance section of the Strategic Report.

¹⁷⁸ Supported by analysis from PensionBee's UK HR information system, December 2024 and December 2023.

As detailed on pages 38 to 44 of the Operating and Financial Review section of the Strategic Report, the Company delivered strong top line growth across its core performance indicators, including Assets under Administration (£5.8bn), Revenue (£33m) and Invested Customers (265,000).¹⁷⁹ Through appropriate cost discipline and investment in technology to drive productivity, the Company achieved its primary financial objective for the year of Adjusted EBITDA profitability for the UK business across the year for the first time, and a correspondingly improved Adjusted EBITDA Margin.¹⁸⁰ In addition, the Company maintained strong performance against its customer-focused objectives, including its Trustpilot score (Excellent 4.7★) and its app store ratings (an average of 4.7 out of 5). The target for Invested Customer numbers reached threshold level, in large part because we placed more emphasis as the year progressed on attracting customers with higher pension savings.

Overall, this led to a formulaic bonus out-turn for the Executive Directors at 89% of maximum for 2024, taking into account all elements (financial, customer and personal), which the Committee considered appropriate and confirmed without the exercise of any discretion. This was an improvement on the achievements of 2023 (80% of maximum) - itself a year of significant performance.

Similarly, the Committee assessed the underpin for the 2022 Restricted Share Plan Awards in early 2025. It was satisfied with the achievements over the underpin assessment period, particularly noting the achievements of a positive Adjusted EBITDA for the UK business for the first time, Adjusted EBITDA breakeven at a Group level, and the expansion of the business into the US, and accordingly confirmed that the awards should vest in the normal course without the exercise of discretion. They will vest during the period 2025-2027 and be released only in 2027 in line with the 5-year holding period applied. However, under the disclosure regulations, the gain is included in this year's report.

The Remuneration Committee used its discretion, on a technical matter, to extend the expiry period of a single tranche of DSB Awards (detailed on page 120).

Implementing the Policy for 2025

The base salary for each of the Executive Directors has remained at £200,000 since 2023 as included in the Remuneration Policy and approved at the 2022 Annual General Meeting. The Committee agreed that from 1 January 2025 the Executive Directors' salaries should be increased to £250,000. While this is a significant increase when expressed in percentage terms, the Executive Directors' salary level remains low when compared with relevant benchmarks, and reflects our approach since IPO of gradually increasing salaries on a staged basis to the lower end of market levels, with this being the first increase (and a year later than indicated in the Policy) against benchmarks as provided for in the policy. At all other levels in the Company, base salaries have been reviewed and generally increased annually since IPO, and across the Company the average salary increase in 2025 was an increase of 10%¹⁸¹.

Restricted Share Plan Awards, in line with previous years, are expected to be granted in March 2025, following the Company's 2024 year-end results announcement.

The annual bonus structure for 2025 will remain broadly unchanged, with a combination of financial performance measures (including Revenue and Adjusted EBITDA Margin) accounting for 50% of the total, a Customer Love Composite metric (including the equally weighted subcomponents of the Company's Invested Customers, Trustpilot Score, App Reviews, Complaints Ratio and Net Promoter Score) accounting for a further 25%, and personal and strategic performance accounting for the remaining 25%. These metrics are considered to provide a balanced scorecard of the Executive Directors' responsibilities to key stakeholders.

Advisors

The Committee re-appointed FIT Remuneration Consultants LLP ('FIT') as their independent advisor during the year. FIT advised on all aspects of our Directors' Remuneration Policy and practice and reviewed remuneration structures against corporate governance requirements. FIT is a member of the Remuneration Consultants' Group and complies with its Code of Conduct which sets out guidelines to ensure that its advice is independent and free of undue influence. FIT does not carry out any other work for PensionBee or its subsidiaries. The Remuneration Committee is satisfied that the advice is objective and independent, taking into account that during the year FIT was paid time-based fees of approximately £17,138 including VAT.

Remuneration Committee Evaluation

During 2024, the Board carried out an internally facilitated evaluation of the Board's effectiveness and an assessment of the Committee's performance. The Committee was pleased that the review concluded it continued to operate effectively. The Board was satisfied that the Committee's composition was appropriate and there was the right balance of skills and experience among its members.

Conclusion

I am grateful to my fellow Directors on the Committee, Mark Wood, Michelle Cracknell and Lara Oyesanya, for their hard work throughout 2024, and to the whole Executive Management Team and our professional advisors for their support and input.

We look forward to engaging with our shareholders and other stakeholders on an ongoing basis. I would welcome any feedback or comments on the Directors' Remuneration Report more generally, and would be glad to meet to discuss any matters of concern.

I will of course also be available at the 2025 Annual General Meeting to answer any questions about the work of the Remuneration Committee for the year.

Mary Francis CBE

Chair of the Remuneration Committee

12 March 2025

¹⁷⁹ See definitions on page 45 of the Measuring our Performance section of the Strategic Report.

¹⁸⁰ See definitions on page 45 of the Measuring our Performance section of the Strategic Report.

¹⁸¹ This included promotions and benchmarking adjustments.

Directors' Remuneration Policy

The Directors' Remuneration Policy ('Policy') was approved at the 2023 Annual General Meeting ('AGM') and took binding effect from the close of that meeting for three years from approval. Details of the policy are outlined below and are available for inspection on the PensionBee website: pensionbee.com/esg via this report.

Objectives of the Policy

The Directors' Remuneration Policy is designed to meet the following objectives:

Clarity	Simplicity	Risk
The Policy is designed to be simple and to support long-term, sustainable performance. The Policy is in line with standard UK listed company practice and is well understood by participants and shareholders alike. The Policy clearly sets out the limits in terms of quantum, the performance measures which can be used and discretion which could be applied if appropriate.	Our arrangements include a market standard annual bonus and a single long-term incentive plan. The details of each are clearly set out in our Policy. There are no complex or artificial structures required to deliver the Policy.	Appropriate limits are set out in the Policy and within the respective plan rules. The Committee retains discretion to override formulaic out-turns. When considering performance measures and target ranges, the Committee will take account of the associated risks and liaise with the Audit and Risk Committee as necessary. The long-term nature of a large proportion of pay (through significant annual bonus deferral, post-vesting holding periods and post-cessation shareholding requirements) encourages a long-term, sustainable mindset. The use of restricted shares rather than more geared forms of long-term incentives also mitigates the risk of undue focus on those targets. Clawback and malus provisions are in place across all incentive plans.
Predictability	Proportionality	Alignment to Culture
The Policy contains appropriate caps in place for each component of pay. The potential reward outcomes are easily quantifiable and are set out in the illustrations provided in the Policy. Performance can be reviewed at regular intervals to ensure there are no surprises in outcomes at the end of the performance period.	Incentive outcomes are contingent on successfully meeting stretching performance targets which are aligned to the delivery of the Company's strategy. Performance will be assessed on a broad basis, including a combination of financial and operational metrics. The use of different measures ensures there is no undue focus on a single metric which could be to the detriment of other stakeholders. The Committee retains discretion to override formulaic out-turns.	The Policy encourages high performance delivery which is aligned to the culture within the business. However, this performance focus is always considered within an acceptable risk profile. Overall pay levels are modest with base salaries below-market reflecting the early emergence of profitability. The measures used in the variable incentive plans reflect the KPIs of the business.

Remuneration Policy for Executive Directors

The following table summarises each element of the Remuneration Policy for the Executive Directors, explaining how each element operates and links to the corporate strategy. The Policy is applicable to current Executive Directors and will be applicable to any new Executive Directors. All payments made to Executive Directors are inline with the Policy,

Base Salary	
Purpose	- To recruit and retain high-calibre Executive Directors. - Recognise knowledge, skills and experience as well as reflect the scope and size of the role.
Operation	- Reviewed annually (with any changes effective from January). An out of cycle review may be conducted if the Committee determines it is appropriate. - When setting Base Salaries, the Committee takes into account a number of factors including (but not limited to) skills and experience of the individual, the size and scope of the role, salary increases across the Group as well as salary levels for comparable roles in other similarly sized companies. - The Executive Directors' Base Salaries increased to £250,000 in January 2025, following the Committee reviewing salaries against benchmarks from 2024. Further details are set out on page 117. - Given that they are still considerably below market levels, reflecting the emerging profitability of the Company, this may lead, at some stage, to a higher level of increase than would normally be the case.

Maximum Potential Value	- The maximum Base Salary level is £500,000. - Base Salary increases are normally considered in relation to the wider salary increases across the Company, albeit recognising the unusually low starting position in the current Policy. - Above workforce increases may be necessary in certain circumstances such as when there has been a change in role or responsibility or where an Executive Director has been appointed on an initial salary which is lower than the desired market positioning.
Performance Metrics	Individual performance, as well as the performance of the Company, is taken into consideration as part of the annual review process.

Pension	
Purpose	To provide cost-effective retirement benefits.
Operation	- The Executive Directors may participate in the Company's pension scheme or receive a cash allowance in lieu if HMRC caps apply. - Pension contributions and allowances are normally paid monthly and are not bonusable.
Maximum Potential Value	- The Company pension contributions to defined contribution retirement arrangements or cash allowances are capped at those of the wider workforce (currently 5% of qualifying salary). - This applies to current and any future Executive Directors.
Performance Metrics	Not applicable.

Benefits	
Purpose	To provide competitive, cost-effective benefits which help to recruit and retain Executive Directors.
Operation	- Benefits may include various insurances such as life, disability, medical and other benefits provided more widely across the Company from time to time. - Other benefits, such as relocation expenses or expatriate arrangements may be provided as necessary. - Reasonable business-related expenses (including any tax thereon) will be reimbursed.
Maximum Potential Value	The value of benefits will vary based on the cost to the Company of providing the benefits.
Performance Metrics	Not applicable.

Annual Bonus	
Purpose	To incentivise and reward for the delivery of suitably stretching annual corporate targets to align with shareholders' and wider stakeholders' interests.
Operation	- The Annual Bonus is subject to performance measures and objectives set by the Committee for the financial year. - At the end of the performance period, the Committee assesses the extent to which the performance targets have been achieved and approves the final outcome. - At least 75% of any Annual Bonus earned will be deferred in shares under the 2021 PensionBee Group plc Omnibus Plan ('Omnibus Plan') ('DSB Award'), normally for a total of three years, with a third vesting and becoming exercisable in each of the first, second and third years respectively. - Dividend equivalents may apply to the extent that such deferred awards vest. - Malus and clawback provisions apply. - Annual Bonus awards are non-pensionable and are payable at the Committee's discretion.
Maximum Potential Value	- The Annual Bonus policy maximum is 100% of Base Salary. - The target Annual Bonus opportunity is normally set at 50% of the maximum. - The threshold Annual Bonus opportunity is up to 25% of the maximum.
Performance Metrics	- The Committee will determine the relevant measures and targets each year taking into account the key strategic objectives at that time. - Performance measures may include financial, strategic, operational, ESG, and/or personal objectives. - At least 50% of the Annual Bonus will be linked to financial measures. - The Committee sets targets that are challenging, yet realistic in the context of the business environment at the time and by reference to internal business plans and external consensus. Targets are set to ensure there is an appropriate level of ambition associated with achieving the top end of the range, but without encouraging inappropriate risk taking. - The performance measures for FY24 are set out on page 119.

Long-Term Incentives	
Purpose	- To incentivise and reward for the delivery of long-term performance and shareholder value creation. - To align with shareholders' interests and to foster a long-term mindset.
Operation	- An annual award of restricted shares under the Omnibus Plan ('RSP Award') which normally vest after a period of not less than three years (expected to be one-third on each of the third, fourth and fifth anniversaries of grant for Executive Directors), subject to continued employment and the achievement of a performance underpin. - Vested RSP Awards are subject to a further holding period applying at least until the fifth anniversary of grant during which they may not ordinarily be sold (other than to pay relevant tax liabilities due). - Dividend equivalents may accrue over the period from grant until the later of vesting and the expiry of any holding period. - Malus and clawback provisions apply.
Maximum Potential Value	The maximum annual RSP Award is 125% of Base Salary and the Committee expects to normally grant awards at this level to the Executive Directors.
Performance Metrics	The nature of restricted shares under the RSP Award is that they are not based primarily on performance conditions, although the Committee will apply an underpin and may reduce vesting levels if overall performance is not considered sufficient to warrant the full vesting level (having regard to financial performance, the development of the strategy and the management of risk and other ESG factors).

All-Employee Share Plans	
Purpose	- To encourage wider share ownership across all senior employees, including the Executive Directors. - To align with shareholders' interests and to foster a long-term mindset. - The Company does not currently intend to deploy the all-employee share plans. Disclosure around the plans has been included for future flexibility as required.
Operation	- Executive Directors may participate in all employee schemes on the same basis as other eligible employees. - This includes the Share Incentive Plan ('SIP') and the Save As You Earn ('SAYE') which have been adopted but are not currently in operation. - Both plans have standard terms, which are HMRC approved and allow participants to either purchase or be granted shares (SIP) or enter into a savings contract (SAYE) in a tax-efficient manner.
Maximum Potential Value	Limits are in line with those set by HMRC (or at a lower level if so determined by the Remuneration Committee).
Performance Metrics	Not applicable as per market standard.

Shareholding Requirements	
Purpose	To align with shareholders' interests and to foster a long-term mindset.
Operation	- Executive Directors will normally be expected to retain shares, net of sales to settle tax and social security, until they have met the required shareholding. - Progress towards the guidelines will be reviewed by the Committee on an annual basis. - In addition, Executive Directors are expected to hold shares after cessation of employment to the full value of the shareholding requirement (or the existing shareholding if lower at the time) for a period of two years.
Maximum Potential Value	The shareholding requirement for Executive Directors is 200% of Base Salary.
Performance Metrics	Not relevant.

Differences in Remuneration Policy for Executive Directors and Employees in General

All employees participate in the Annual Bonus scheme, which is operated on similar terms to those for the Executive Directors, albeit with performance measures which are appropriate to their area of responsibility. Bonus deferral in respect of Company-wide measures is applied for all employees. RSP Awards are granted to appropriately senior members of the team (approximately 12% of the workforce in 2024) on similar terms to those applied to grants made to the Executive Directors.

Statement of Consideration of Employment Conditions Elsewhere in the Company

The Committee is kept informed of pay and employment conditions throughout the Company. This will include information on base salary banding and increases, annual bonus outcomes and share usage across the workforce. The Company conducts an annual benchmarking exercise that informs the overall remuneration package at each level of employee seniority. The annual benchmarking exercise pays due regard to job roles and seniority and is now conducted centrally through an external platform. The remuneration package for each level of employee seniority is documented in the Company's Policy, which is transparently shared with all employees.

The Policy documents the Company's desire to take an industry-leading approach to reducing and eliminating pay gaps, as well as excessive differences in remuneration between the highest and lowest paid employees.

Input from the Director responsible for Employee Engagement is also considered as part of the Committee's deliberations. Findings from employee engagement surveys are also provided to the Committee.

The Committee has not, to date, formally consulted with employees on matters of the Company's Policy, but Committee members remain apprised of employee engagement and attitudes to the workplace through surveying and reports in the Nomination Committee. Committee members also regularly attend Company facilitated town hall style meetings on a variety of cultural topics related to the Company's employee value proposition.

Service Contracts and Letters of Appointment

	Date of Service Contract	Notice period
Romi Savova	16 March 2021	6 months
Jonathan Lister Parsons	16 March 2021	6 months
Christoph J. Martin	30 June 2022	6 months

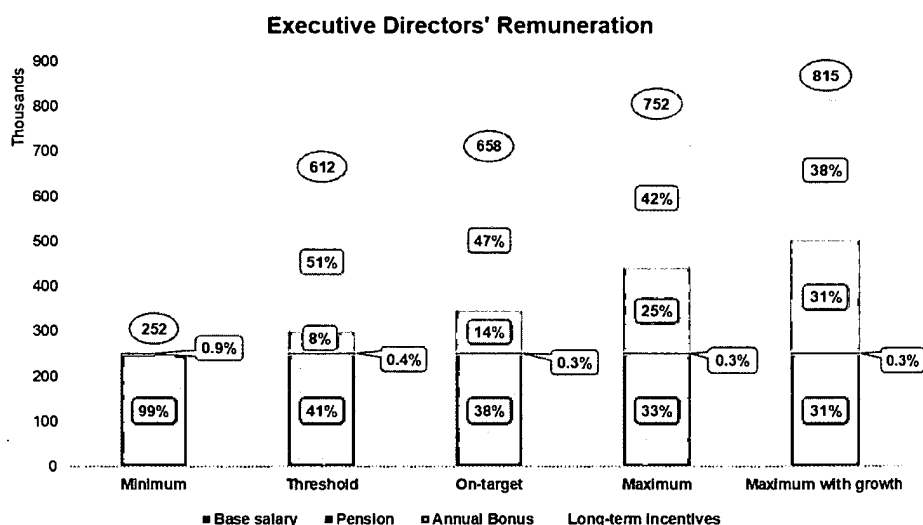
The Executive Directors' service contracts are stored digitally and can be accessed at the Company's office or virtually. Appropriate provisions for payment upon termination of employment are included in contracts. The Non-Executive Directors do not have service contracts with the Company but instead have letters of appointment. The date of appointment for each Non-Executive Director is shown in the table that follows:

	Date of Appointment / Re-Appointment
Mark Wood ¹⁸²	20 April 2024
Mary Francis ¹⁸³	20 April 2024
Michelle Cracknell ¹⁸⁴	20 April 2024
Lara Oyesanya ¹⁸⁵	21 April 2022

The Non-Executive Directors' letters of appointment are stored digitally and can be accessed at the Company's office or virtually. Each appointment is for a fixed three-year term, but each Non-Executive Director may be invited by the Company to serve for a further period. In any event, each appointment is subject to annual re-election by the Company at each annual general meeting, and each Non-Executive Director's appointment may be terminated at any time with three months' written notice. In 2024, Mark Wood, Mary Francis and Michelle Cracknell were invited to serve for another three year period and the Company invited Lara Oyesanya to also serve for another three year period in early 2025.

Illustration of the Remuneration Policy

The chart that follows sets out the potential values of the remuneration package for FY25 under various performance scenarios for the Executive Directors.



¹⁸² The Director's term runs until 20 April 2027.

¹⁸³ The Director's term runs until 20 April 2027.

¹⁸⁴ The Director's term runs until 20 April 2027.

¹⁸⁵ The Director's term runs until 18 May 2025.

Notes:

- Salary represents the £250,000 expected ending salary for 2025. Benefits have been included based on 2024 figures.
- Pension represents the value of the annual pension allowance for Executive Directors of 5% of qualifying salary.
- Minimum performance comprises salary, benefits and pension only with no bonus awarded and no RSP Award vesting (i.e. assumes the RSP Award performance underpin is not met).
- Threshold performance comprises annual bonus payouts at threshold level (25% of maximum) with the RSP Awards vested in full (no share price appreciation).
- Target performance comprises annual bonus payouts at target level (50% of maximum) and with the RSP Awards vested in full (no share price appreciation).
- Maximum performance comprises annual bonus awarded at maximum level (100% of maximum) and with the RSP Awards vested in full (no share price appreciation).
- Maximum + share price growth comprises e) above plus an assumed increase of 50% in the value of the RSP Award to take account of potential share price appreciation.
- For ease of understanding, the chart assumes an RSP Award grant at 125% of the 2025 salary. In practice, grants are considered to relate to performance in the prior year so are based on the salary as at the previous 31 December.

Annual Report on Remuneration

Implementation of Directors' Remuneration Policy for FY25

Component of Pay	Implementation for FY25
Executive Directors' Base Salaries	Salaries for each Executive Director rose to £250,000 from 1 January 2025.
Executive Directors' Benefits and Pension	No changes to benefits. Pension provision remains at 5% of qualifying salary (i.e. with contributions totalling up to the HMRC limit of, currently, £2,202), in line with the rest of the Company. Normal retirement date is expected to be age 57.
Executive Directors' Annual Bonus	Maximum Annual Bonus of 100% of salary, with at least 75% deferred into shares ('DSB Award'). The share element will vest in equal instalments across the first, second and third anniversary of grant, in line with the treatment throughout the organisation. The Executive Directors' bonus Awards for 2025 will vest in three equal annual tranches as described. The performance measures for 2025 bonuses are: - Financial measures, weighted at 50% of the total bonus, and consisting of two sub-metrics each accounting for 25% of the total bonus: Revenue (£), Adjusted EBITDA Margin (%).¹⁸⁶ - Customer composite metric, weighted at 25% of the total bonus, and consisting of five sub-metrics each accounting for 5% of the total bonus: Invested Customers¹²⁶, Trustpilot Score, App Store Ratings, Net Promoter Score and Complaints Ratio. - Personal and strategic performance, weighted at 25% of the total bonus. Consistent with market practice, the Committee considers the targets themselves for 2025 to be confidential and will disclose them in next year's report.
Executive Directors' Restricted Share Plan Award	A Restricted Share Plan Award ('RSP Award') of 125% of salary which vests in equal instalments on the third, fourth and fifth anniversary of grant and released following the fifth anniversary. The RSP Awards are subject to a performance underpin whereby the Remuneration Committee will assess whether vesting is appropriate, taking into consideration the Company's share price, its financial performance over the vesting period and the participant's adherence to the Company's values and its standards on risk and environmental, social and governance factors. On the basis that the RSP Awards are intended to provide greater certainty of vesting in consideration of lower Base Salaries, the default will be for vesting to occur, unless the Remuneration Committee decides otherwise.
Non-Executive Directors' Fees	Changes to Non-Executive Directors' Fees will align with market benchmarking, which is the primary basis for determining Non-Executive Directors' fees: - Chair of the Board fee increased from £150,000 to £175,000 on 1 January 2025 - Non-Executive Director ('NED') base fee remains at £50,000 - Senior Independent Director fee remains at £25,000 - Board Committee Chair fee remains at £10,000 - Employee engagement lead fee remains at £10,000 NEDs are eligible to participate in the Company's automatic enrolment pension plan.

¹⁸⁶ See definitions on page 45 of the Measuring our Performance section of the Strategic Report.

Single Total Figure of Remuneration (Audited)

The figures included in the tables below represent remuneration relating to 2024 and 2023 respectively.

2024		Executive Directors			Non-Executive Directors			
		Romi Savova	Jonathan Lister Parsons	Christoph J. Martin	Mark Wood	Mary Francis	Michelle Cracknell	Lara Oyesanya
Fixed Pay	Base Salary/Fees	£200,000	£200,000	£200,000	£150,000	£95,000	£60,000	£50,000
	Benefits	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	Pension ¹⁸⁷	£2,202	£2,202	£2,202	n/a	n/a	£2,202	£2,188
Variable Pay	Annual Bonus	£178,214	£178,214	£178,214	n/a	n/a	n/a	n/a
	Long-Term Incentives	£248,791	£248,791	£177,709	n/a	n/a	n/a	n/a
Total		£629,208	£629,208	£558,125	£150,000	£95,000	£62,202	£52,188
Total Fixed Remuneration		£202,202	£202,202	£202,202	£150,000	£95,000	£62,202	£52,188
Total Variable Remuneration		£427,006	£427,006	£355,923	n/a	n/a	n/a	n/a

2023		Executive Directors			Non-Executive Directors			
		Romi Savova	Jonathan Lister Parsons	Christoph J. Martin	Mark Wood	Mary Francis	Michelle Cracknell	Lara Oyesanya
Fixed Pay	Base Salary/Fees	£186,583	£186,583	£186,583	£125,000	£90,000	£55,000	£45,000
	Benefits	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	Pension	£2,018	£2,202	£2,202	n/a	n/a	£2,202	£1,938
Variable Pay	Annual Bonus	£159,050	£159,050	£159,050	n/a	n/a	n/a	n/a
	Long-Term Incentives	£0	£0	£0	n/a	n/a	n/a	n/a
Total		£347,651	£347,835	£347,835	£125,000	£90,000	£57,202	£46,938
Total Fixed Remuneration		£188,601	£188,785	£188,785	£125,000	£90,000	£57,202	£46,938
Total Variable Remuneration		£159,150	£159,050	£159,050	n/a	n/a	n/a	n/a

Notes to the Table

Benefits

The Executive Directors did not receive benefits from the Company but are eligible to participate in Company-wide schemes from time to time.

Pension

The Executive Directors received pension benefits equivalent to 5% of qualifying earnings.

Long-Term Incentives

Under the disclosure regulations, long-term incentive awards are reported when, and to the extent, that the performance underpins are met. The first RSP Awards had the underpin tested at the end of 2024 and the vesting was confirmed by the Remuneration Committee in early 2025 on the basis that the Committee was satisfied with the progress made by the Company since the awards were granted.

¹⁸⁷ This equates to 5% of qualifying salary (i.e. with contributions totalling up to the HMRC limit of, currently, £2,202)

These awards have, therefore, been included in the above table using the 3-month average closing Company share price on 31 December 2024. None of this amount reflects an increase in the share price over the period.

Annual Bonus for 2024: Targets and Outcomes

The Annual Bonus for FY24 was subject to performance measures which consisted of the equally weighted measures of: Revenue (25% of Annual Bonus), Adjusted EBITDA Margin (25% of Annual Bonus), a Customer Love Composite Score (25% of Annual Bonus which included equally weighted targets in relation to Invested Customers, Trustpilot Score, App Store Ratings, the Net Promoter Score and Complaints), and Personal Performance (25% of Annual Bonus).¹⁸⁸

The Personal Performance element is based on a competency matrix, comprising quantitative and qualitative measures, that rewards each Executive Director for their achievements over the course of the year in line with their accomplishments and embodies the Company's values of Love, Quality, Honesty, Innovation and Simplicity. The competency matrix refers to the Executive Director's achievements with respect to furthering the Company's culture, the Company's approach to diversity and inclusion, the Company's delivery of operational performance, strategic initiatives and the approach to risk management controls, including the timely submission of policies and risk assessments, the minimisation and effective resolution of risk incidents and adherence to budgetary cost controls.

The CEO's personal objectives included managing the Company to ongoing Adjusted EBITDA profitability while maintaining the growth rate by deploying our marketing budget effectively. Additional objectives included growing PensionBee's net inflows while maintaining a relatively static marketing budget in the UK and managing the Company's expansion into the US market. The CEO focused on leadership through maintaining the company's culture and supporting its mission, vision and values. Specific measurable goals were set, including with respect to net inflows and transfer completions.

The CTO's personal objectives included building a world-class engineering function, with high levels of productivity; maintaining and improving our Information Security Management System; and delivering technology platform scalability to support projected volumes of customers. The CTO was also responsible for the technical aspect of the US launch. Specific measurable goals were set, including productivity (internal and customer-oriented) and technical health metrics.

The CFO's personal objectives included managing our capital structure efficiently, business planning and monitoring of the execution of the business plan and particularly the delivery of the Company's core financial objectives, including the delivery of Adjusted EBITDA profitability.¹⁸⁹ The CFO was evaluated on the quality and process relating to the preparation of the budget, monthly accounts and departmental expenditure plans, as well as the overall integrity and delivery timeline of the Company's financial results. The CFO was responsible for all financial aspects of the US launch and for globalising the Company's financial reporting infrastructure.

The table below summarises the 2024 performance targets and outcomes, including the personal performance of Executive Directors, which in this case saw the same result for all three:

Metric¹³⁰	Weighting	Threshold	Target	Max	Actual	Out-turn
Revenue	25%	£30.00m	£31.75m	£33.50m	£33.00m	91%
Adjusted EBITDA Margin	25%	0.0%	0.5%	1.0%	1.0%	100%
<i>Customer Composite Score</i>						
of which: Invested Customers	5%	265,000	270,000	275,000	265,000	25%
of which: Trustpilot Score	5%	4.5	4.6	4.7	4.7	100%
of which: App Store Rating average	5%	4.5	4.6	4.7	4.7	100%
of which: NPS	5%	54	56	58	56	75%
of which: Complaints per 1,000 accounts	5%	0.80	0.65	0.50	0.46	100%
Personal Performance	25%	25%	50%	100%	85%	85%
Overall						89%

The Committee considered that the overall performance and the experience of stakeholders was appropriately reflected in the overall bonus outcome and therefore no discretion was required to amend the result.

For FY24, 100% of any bonus linked to Company-wide performance and 58% of any bonus linked to individual performance is deferred, resulting in 90% deferral for Executive Directors. The deferred bonus vests in equal proportions over three years.

Consistent with the approach adopted for all equity awards, participants are required to bear any employers' NICs on those awards which means that the headline level of DSB Awards and RSP Awards overstates their commercial value by approximately 14%

¹⁸⁸ See definitions on page 45 of the Measuring our Performance section of the Strategic Report.

¹⁸⁹ See definitions on page 45 of the Measuring our Performance section of the Strategic Report.

compared with other listed companies where the company itself bears this charge. This reflects the emerging profitability status of the Company and will be kept under review for subsequent grants.

	Cash Bonus (£)	Deferred Bonus (£)	Total Bonus (£)	Total Bonus (% Max)
CEO	£18,000	£160,214	£178,214	89.11%
CTO	£18,000	£160,214	£178,214	89.11%
CFO	£18,000	£160,214	£178,214	89.11%

Long-Term Incentives

The increase to overall remuneration in 2024 is in large part due to the underpin being tested on Restricted Share Options granted in 2022. These awards are intended to promote long-term thinking and behaviours and will not be available to sell until 2027.

Awards Vesting in the Year

Under the disclosure regulations, long-term incentive awards are reported when, and to the extent, that the performance underpins are met. The first RSP Awards had the underpin tested at the end of 2024 and the vesting was confirmed by the Remuneration Committee in early 2025 on the basis that the Committee was satisfied with the progress made by the Company since the awards were granted. These awards have, therefore, been included in the above table using the 3-month average closing Company share price on 31 December 2024. None of this amount reflects an increase in the share price over the period.

The Remuneration Committee also extended the expiry period of the first tranche of the DSB Award granted in 2023 (18,670 options for each of Romi Savova and Jonathan Lister Parsons), by an additional six months (from March 2025 to September 2025).

Awards Granted in the Year

The following awards with respect to the Financial Year ending 2023 were granted in March 2024:

	Restricted Share Plan Awards ¹⁸⁰	Deferred Share Bonus Awards ¹⁹¹
CEO	257,732	133,041
CTO	257,732	133,041
CFO	257,732	133,041

Shareholding Interests and Incentives	Shareholding Interests	Options Unvested and Subject to Performance Conditions	Options Unvested and Not Subject to Performance Conditions	Options Vested and Not Subject to Performance Conditions	Exercised Options	Shareholding Requirement Met
Romi Savova	76,038,686	634,291	249,743	88,670	0	Yes
Jonathan Lister Parsons	11,990,520	634,291	249,743	88,670	0	Yes
Christoph J. Martin ¹⁹²	969,112	590,707	190,954	17,500	193,991 ¹⁹³	Yes
Mark Wood ¹⁹⁴	2,547,805	0	0	0	0	n/a
Mary Francis ¹⁹⁵	50,141	0	0	0	0	n/a
Michelle Cracknell	0	0	0	0	0	n/a
Lara Oyesanya	30,903	0	0	0	0	n/a

¹⁸⁰ The RSP Awards represent 125% of their salaries as at 31 December 2023 (i.e. £250,000) using a share price of 97.65p (being the average closing share price on the two dealing days immediately prior to grant. The RSP Awards are subject to a performance underpin assessing performance to the third anniversary of grant but no pre-set percentage would vest for any given level of performance. They will then be subject to an additional two year holding period.

¹⁹¹ The DSB Awards represent the proportion of the bonus awarded in shares contingent on employment to the third anniversary of grant. They had a face value of £54,692 using a share price of 97.65p.

¹⁹² Christoph J. Martin's shareholding of 969,112 shares includes 90,000 shares held in his SIPP and 42,490 held in an ISA.

¹⁹³ Christoph J. Martin's exercise of 193,991 options consisted of 158,991 options exercised at £1.47 and 35,000 options exercised at £1.72, equating to a total gain of £293,088.

¹⁹⁴ Mark Wood's aggregate shareholding of 2,547,805 shares includes 2,482,805 Shares held by him, 18,500 Shares held in his SIPP and 65,000 Shares held in a SIPP belonging to his wife.

¹⁹⁵ Mary Francis's shareholding is held jointly with her husband.

Other Statutory Requirements¹⁹⁶

Our middle market share price at the close of business on 31 December 2024 was 161p and the range of the middle market price during the year was 88p to 191p.

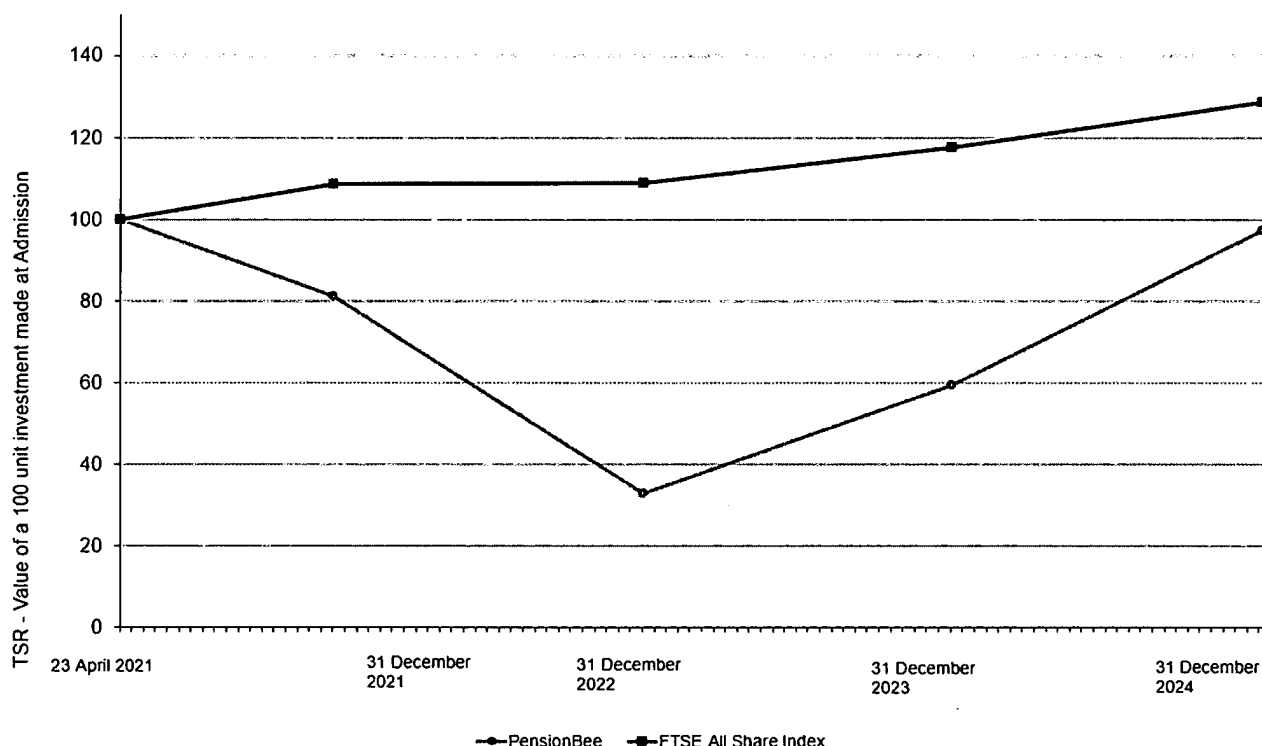
Since the year-end there have been no other changes in the shareholdings.

Change in CEO Total Remuneration

The chart that follows shows the value of £100 invested in the Company on Admission at the IPO price, compared with the value of £100 invested in the FTSE All Share Index at the same date and the movement in value until 31 December 2024.

Total Shareholder Return

Source: Datastream (a LSEG product)



CEO Single Figure History	Total Remuneration ¹⁹⁷	Annual Bonus as % of Max	Long-Term Incentive Shares Vesting as % of Max
FY21	£513,384	75.00%	n/a
FY22	£249,393	41.25%	n/a
FY23	£347,651	79.52%	n/a
FY24	£629,208	89.11%	n/a

The year-on-year increase between 2023 and 2024 is primarily driven by the recognition of the 2022 Restricted Share Plan (RSP) Awards, as the underpin requirements for vesting have been met. The awards will vest during the period 2025-2027 and be released only in 2027 in line with the 5-year holding period applied.

CEO Pay Ratio¹⁹⁸

The following table shows the multiple of our CEO's pay ratio to median, lower quartile and upper quartile pay at the Company. The calculations are based on methodology Option A as defined by the regulations and calculating the pay and benefits of all UK employees on a full-time equivalent basis. The CEO pay ratio is based on comparing the CEO's pay to that of PensionBee's UK-based employee population.

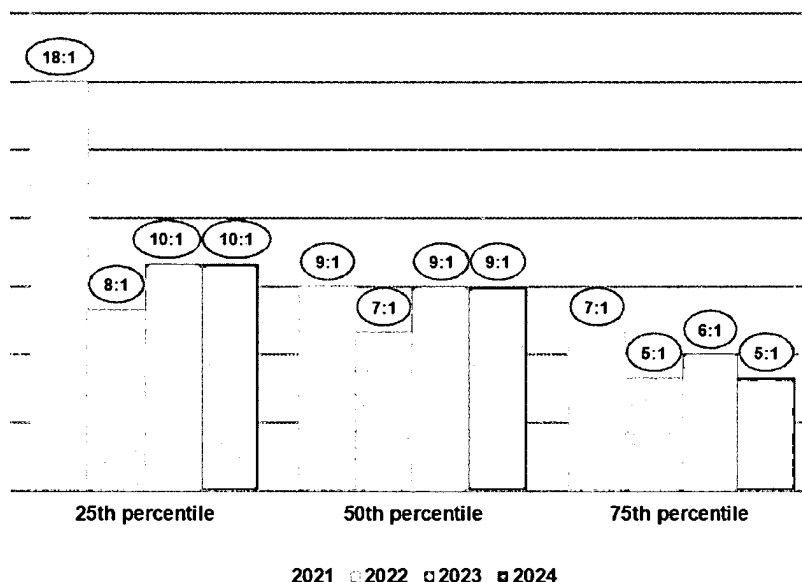
¹⁹⁶ All numbers are unaudited unless otherwise stated.

¹⁹⁷ The table 'Single Total Figure of Remuneration (Audited)' outlined above details the components of the CEO's Total Remuneration.

¹⁹⁸ All numbers are unaudited unless otherwise stated.

Methodology	25th Percentile	50th Percentile	75th Percentile
Option A	10:1	9:1	5:1
Total Pay	£36,564	£44,095	£80,451
Salary Component	£30,500	£37,213	£62,000

CEO Pay Ratio



The Committee will continue to monitor trends in the CEO pay ratio over the longer term.

Relative Importance of Spend on Pay

	2023	2024	YoY % Change
Total Employee Costs (Note 6 of the Financial Statements)	£12.3	£12.6	3%
Distributions to Shareholders	£0	£0	n/a

Percentage Change in Director Pay

Year on Year Change ¹⁹⁹	Percentage Change in Salary	Percentage Change in Pension Contributions	Percentage Change in Annual Bonus	Overall Percentage Change
Romi Savova	7%	0%	6%	6.43%
Jonathan Lister Parsons	7%	0%	6%	6.43%
Christoph J. Martin ²⁰⁰	7%	0%	6%	6.43%
Mark Wood	20%	n/a	n/a	20.00%
Mary Francis	6%	n/a	n/a	5.56%
Michelle Cracknell	9%	0%	n/a	8.74%
Lara Oyesanya ²⁰¹	11%	13%	n/a	11.18%

¹⁹⁹ Annualised figures including compensation from 2022. These figures do not include Long Term Incentives. The figures are not comparable to the table 'Single Total Figure of Remuneration (Audited)'.

²⁰⁰ The comparison in respect of Christoph J. Martin's pay is based on actuals for 2022, not the pro rata salary shown in the table 'Single Total Figure of Remuneration (Audited)'.

²⁰¹ Since Lara joined the company in 2022, there is no comparable year-on-year change to disclose.

Payments for Loss of Office and/or Payments to Former Directors

No payments for loss of office, nor payments to former Directors were made during the year under review.

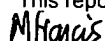
Statement of Voting at the Annual General Meeting (Unaudited)

At the Company's 2024 Annual General Meeting ('AGM'), shareholders were asked to vote on the Directors' Remuneration Report for the year ended 31 December 2023. This resolution received significant votes in favour by shareholders. The votes received were:

Resolution	Votes For	% of Votes	Votes Against	% of Votes	Votes Withheld
To approve the Directors' Remuneration Report (2024 AGM)	143,168,594	99.09	1,309,545	0.91	11,215

The Directors' Remuneration Policy had already been approved at the 2023 AGM²⁰² and will be due for renewal in 2026. The Policy will undergo a review by the Remuneration Committee before being recommended to shareholders at the 2026 AGM.

This report was approved by the Board of Directors and signed on its behalf by:



Mary Francis CBE
Chair of the Remuneration Committee
12 March 2025

²⁰² The Directors' Remuneration Policy was approved with 142,882,040 votes in favour (99.28% of votes), 1,032,769 against (0.72% of votes) and 53,659 votes withheld.

08 Directors' Report

The Directors' Report for the year ended 31 December 2024 comprises pages 124 to 128 of this report, together with the sections of the Annual Report and Financial Statements 2024 incorporated by reference. The Corporate Governance Report set out on pages 79 to 129 is incorporated by reference into this report and, accordingly, should be read as part of this report.

As permitted by legislation, some of the matters required to be included in the Directors' Report have instead been included in the Strategic Report set out on pages 4 to 78, as the Board considers them to be of strategic importance.

Taken together, the Strategic Report on pages 4 to 78 and this Directors' Report fulfil the requirement of Disclosure, Guidance and Transparency Rule 4.1.5R to provide a management report.

Disclosure	Location
Future Business Developments	Our Strategy, pages 15-21
Research and Development	Note 2 of the Financial Statements, pages 142-148
Financial Instruments	Note 25 of the Financial Statements, pages 159-161
Financial Risk Management Objectives and Policies	Note 25 of the Financial Statements, pages 159-161
Exposure to Price, Credit and Liquidity Risk	Managing our Risks, pages 70-77 Note 25 of the Financial Statements, pages 159-161
Greenhouse Gas emissions ('GHG'), contained within our Task Force on Climate-related Financial Disclosures ('TCFD') section	Climate-related Disclosures, pages 56-69
People, Values and Culture	Our People, pages 24-33 ESG Considerations (Stakeholder Engagement), pages 46-48
Section 172 Statement	ESG Considerations (Section 172 Statement), page 49
Stakeholder Engagement	ESG Considerations (Stakeholder Engagement), pages 46-48
Directors' Interests	Directors' Remuneration Report, pages 110-123
Statement of Directors' Responsibility	Statement of Directors' Responsibility, page 129
Applicable Disclosures required under UK Listing Rule 6.6.1R	Location
Details of Long-Term Incentive Schemes	Directors' Remuneration Report, pages 110-123
Relationship with Major Shareholder Statement	Directors' Report, pages 124-128

Principal Activity

PensionBee is a leading online retirement savings provider. PensionBee seeks to make its customers 'Pension Confident' by giving them complete control and clarity over the retirement savings. We help our customers combine their retirement savings into one new online plan where they can contribute, forecast outcomes, invest effectively, and withdraw their pensions, all from the palm of their hand. The Company is registered as a public limited company under the Companies Act 2006 and is listed on the Main Market of the London Stock Exchange.

Results and Dividends

The results for the year are set out in the Consolidated Statement of Comprehensive Income on page 138 of the Financial Statements. The Directors are not proposing a final dividend for the year ended 31 December 2024.

Directors and their Interests

The names and biographies of the Directors who were in office during the year ended 31 December 2024 are set out on pages 83 to 88 of the Board of Directors and Executive Management section of the Corporate Governance Report.

Directors' interests in the Ordinary shares of PensionBee Group plc as at 31 December 2024 are set out within pages 110 to 123 of the Directors' Remuneration Report within the Corporate Governance Report. Details of Directors' service contracts are set out within pages 89 to 95 of the Corporate Governance Statement within the Corporate Governance Report.

During the period covered by this report, no Director had any material interest in a contract to which the Company or any of its subsidiary undertakings was a party (other than their own service contract) that requires disclosure under the requirements of the Companies Act 2006.

Directors' Powers

The powers of the Directors are set out in the Articles of Association and the Companies Act 2006 (the 'Act') and are subject to any directions given by special resolution. The Directors are responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company whether relating to the management of the business or not. The Directors may also, subject to the Articles, delegate any of their powers, authorities and discretions as they see fit.

The Articles give the Directors power to appoint and replace Directors. Unless otherwise determined by the Company by ordinary resolution, the number of directors (other than alternate directors) must not be less than two and must not be more than thirteen.

Appointment and Replacement of Directors

The rules governing the appointment and replacement of Directors are set out in the Company's Articles and are governed by the Code, the Act and related legislation. Directors may be appointed by ordinary resolution at a general meeting, by a decision of the Directors or by the sole Director if the Company has only one Director.

All Directors are subject to election by shareholders at the first Annual General Meeting ('AGM') following their appointment and to annual re-election thereafter, in accordance with the UK Corporate Governance Code.

Please also refer to the paragraph entitled Relationship with Major Shareholder set out below.

Articles of Association

The Articles may be amended by a special resolution of the Company's shareholders. They were last reviewed, updated and adopted at the Company's AGM in May 2022. As well as setting out the rules governing the appointment and replacement of Directors, the Articles also set out, amongst other matters, the Directors' general authority, rules on decision-making by the Directors, as well as in full the powers of the Directors in relation to issuing shares and buying back the Company's own shares. A copy of the Company's Articles can be found on the Company's website at pensionbee.com/esg.

Directors' Insurance and Indemnities

The Company's Articles provide, subject to the provisions of UK legislation, an indemnity for Directors and Officers of the Company and the Group in respect of liabilities they may incur in the discharge of their duties or in the exercise of their powers.

Directors' and Officers' qualifying third party indemnity insurance cover in accordance with section 234 of the Companies Act 2006, is maintained by the Company and is in place in respect of all the Company's Directors at the date of this Annual Report and Financial Statements 2024. The Company will review its level of cover on an annual basis.

Compensation for Loss of Office

The Company does not have any agreements with any Executive Director or employee that would provide compensation for loss of office or employment resulting from a takeover.

Whilst provisions of the Company's historic EMI Scheme and Non tax-qualifying Scheme would cause options and awards outstanding under such schemes to vest on a takeover, these will all fully vest during 2025. Under the Omnibus Plan, Restricted Share Plan Awards will vest subject to the measurement of the underpin at the time of the event and, unless the Remuneration Committee determines otherwise, time pro-rated Deferred Share Bonus Awards will vest in full.

Further information is provided on pages 110 to 123 of the Directors' Remuneration Report within the Corporate Governance Report.

Share Capital

Details of the Company's authorised and issued share capital, together with movements during the year, are set out in Note 18 of the Financial Statements. As at 31 December 2024, the Company's issued share capital consisted of 236,121,857 Ordinary shares with a nominal value of £0.001 each. Since the financial period end the Company's issued share capital has increased to 236,558,261 due to the exercise of vested options granted under the historic EMI Scheme and Non tax-qualifying Scheme, together with the exercise of vested options under the Company's current Omnibus Plan. Details of the employee share plans are provided on pages 110 to 123 of the Directors' Remuneration Report within the Corporate Governance Report.

The Company has one class of Ordinary Share. There are no specific restrictions on the size of the holding nor on the transfer of shares, which are both governed by the general provisions of the Articles and prevailing legislation. Ordinary shareholders are entitled to receive notice of, and to attend and speak at, any general meeting of the Company. On a show of hands, every shareholder present in person or by proxy (or being a corporation represented by a duly authorised representative) shall have one vote, and on a poll every shareholder who is present in person or by proxy shall have one vote for every share of which they are the holder. The Notice of Annual General Meeting specifies deadlines for exercising voting rights and appointing a proxy or proxies.

Secondary Placing of Shares and Lock-Up Arrangements

On 21 June 2024, following reverse inquiry to increase the institutional ownership of and liquidity in the Company's shares, certain Directors of the Company (being Romi Savova, Jonathan Lister Parsons and Mark Wood) placed in aggregate 5,608,686 Ordinary Shares in PensionBee (representing approximately 2.5% of the Company's Total Shares Outstanding/Total Voting Rights at the time)

with institutional investors. In connection with this transaction, these Directors were subject to a lock-up of 365 days in relation to all other Ordinary Shares held by them.²⁰³ This lock-up is due to expire on 21 June 2025.

Further details are set out in the 'Results of Secondary Placing' announcement (21 June 2024), a copy of which is available on the Company's website at pensionbee.com/investor-relations.

Primary Placing of Shares

On 24 October 2024, the Company announced the results of a placing of its shares. For the purposes of UKLR 6.6.1R(6), the placing comprised the issue and allotment of 10,810,811 Ordinary Shares of £0.001 each, with an aggregate nominal value of £1,081.081. The consideration received by the company for the allotment of the placing shares was £20,000,000.35. The placing was made on a non pre-emptive basis to institutional investors in the UK and internationally. The terms of the placing were fixed on 24 October 2024, and the market price of existing Ordinary Shares at this time was 185 pence per share.

Further details are set out in the Equity Raise Post-Transaction Report' announcement (28 October 2024), a copy of which is available on the Company's website at pensionbee.com/investor-relations.

Authority to Purchase Its Own Shares

Pursuant to the terms of its Articles, the Company is permitted to purchase its own shares subject to shareholder approval. The necessary shareholder authority was not sought at the 2024 Annual General Meeting given that the Company is a pre-profit business with a significant opportunity for continued growth.

Significant Interests

The interests in shares notified to the Company in accordance with the Disclosure Guidance and Transparency Rules as at 31 December 2024 are set out below.

Name of shareholder	Number of Ordinary Shares of £0.001 each Held	Percentage of Total Shares Outstanding/Total Voting Rights
Romina Savova	76,038,686	32.21%
Mudita Advisors LLP	25,551,344	11.34%
Jonathan Lister Parsons	11,990,520	5.33%
State Street Global Advisors, Inc.	8,757,600	3.96%
Norges Bank	7,457,930	3.36%

Between 31 December 2024 and 12 March 2025 (the latest practicable date for inclusion in this report), the Company had not been notified of any changes to the interests above.

The percentage of Total Voting Rights detailed above was calculated at the time the relevant disclosures were made in accordance with Rule 5 of the Disclosure Guidance and Transparency Rules. We note that since then, the number of Ordinary Shares held may have, and the percentage of Total Voting Rights will have, changed as a result of the Company's monthly allotment of shares to satisfy employee awards, and the 2024 primary placing of Shares.

Romi Savova and Jonathan Lister Parsons are deemed to be acting in concert, together with certain other shareholders who represent, in aggregate, approximately 932,600 Ordinary Shares or 0.4% of the Company's Total Shares Outstanding/Total Voting Rights.

Relationship with Major Shareholder

In April 2022, pursuant to the pre-July 2024 version of the UK Listing Rules, a relationship agreement was put in place between Romi Savova, Jonathan Lister Parsons (together, the 'Signing Controlling Shareholders') and the Company ('Relationship Agreement'). The principal purpose of the Relationship Agreement was to ensure that the independence provisions as set out in Chapter 6 of the pre-July 2024 version UK Listing Rules ('Independence Provisions') were complied with.

The Relationship Agreement contains undertakings from the Signing Controlling Shareholders that they will each, and will ensure that each of their associates will:

- Conduct all transactions and arrangements with the Company or any other member of the Group on an arm's length basis and on normal commercial terms;
- Not take any action that would have the effect of preventing the Company from complying with its obligations under the Listing Rules; and
- Not propose or procure the proposal of a shareholder resolution which is intended or appears to be intended to circumvent the proper application of the Listing Rules.

²⁰³ The secondary placing was intended to be a sole exercise, with the participating Directors subject to a lock-up for 365 days in relation to all other ordinary shares held by them and any person controlled by or controlling or under common control with them after completion of the Placing (unless consent is granted by the Sole Bookrunner, Stifel Nicolaus Europe Limited (trading as Keefe, Bruyette & Woods)). This lock-up is subject to customary exceptions and subject to transfers of ordinary shares issued after the date of this announcement upon the exercise of options under any share option schemes, but only to the extent necessary to cover any applicable tax liability arising on exercise of such options.

Romi Savova has also agreed to procure the compliance of certain other shareholders who, in addition to Jonathan Lister Parsons, are deemed to be acting in concert with her, and who represent, in aggregate, approximately 0.4% of the Company's voting rights (the 'Non-signing Controlling Shareholders' together with the Signing Controlling Shareholders, the 'Controlling Shareholder Group') with the Independence Provisions. The Company considers, in light of its understanding of the relationship between Romi Savova and each of the Non-signing Controlling Shareholders, that Romi Savova can procure the compliance of the Non-signing Controlling Shareholders and their respective associates with the Independence Provisions. Under the terms of the Relationship Agreement, in the event Romi Savova is no longer an Executive Director, she has a right to appoint two non-executive representative directors to the Board, provided she holds 25% or more of the voting rights of the Company's shares, and one director, provided she holds 10% or more of the voting rights of the Company's shares.

As the Controlling Shareholder Group is a controlling shareholder for the purposes of the UK Listing Rules, in accordance with UKLR 6.6.1R(13), the directors confirm that the company continues to be able to carry on the business it carries on as its main activity independently from the Controlling Shareholder Group at all times.

Capital Management

PensionBee Limited, a subsidiary of PensionBee Group plc, is a FCA regulated business and subject to holding a Liquid Capital requirement under IPRU (INV) 5.9. As of December 2024, the capital resources stood at £12.6m (unaudited) as compared to a capital resource requirement of £1.6m (unaudited), resulting in a coverage of 7.9x.

PensionBee Inc. is registered with the U.S. Securities and Exchange Commission ('SEC') and is not subject to any capital resource requirements.

Research and Development

Details of the Company's research and development is contained in Note 2 of the Financial Statements.

Political and Charitable Contributions

During the financial year ending 31 December 2024, the Company did not make any charitable donations, nor any political contributions.

Change of Control - Significant Agreements

There are a number of agreements that may take effect after, or terminate upon, a change of control of the Company, such as commercial contracts and property lease arrangements. None of these are considered to be significant in terms of their likely impact on the business as a whole.

Environment

The Board considers environmental matters to be of strategic importance. Therefore, relevant information contained within our Task Force on Climate-related Financial Disclosures ('TCFD') section within pages 59 to 69 of the Climate-related Disclosures section of the Strategic Report, is incorporated into the Directors' Report by cross reference. The TCFD report includes our annual report on GHG emissions.

Internal Control and Risk Management

The Board is ultimately responsible for establishing the risk appetite and the risk management framework at PensionBee. The Audit and Risk Committee is responsible for monitoring and reviewing the effectiveness of the Group's internal control and risk management systems.

Further detail is set out on pages 70 to 77 of the Managing our Risks section of the Strategic Report and on pages 103 to 109 of the Audit and Risk Committee Report within the Corporate Governance Report.

Market Abuse Regulation

The Company has in place its own internal dealing policies and procedures which apply to all employees and which encompass the requirements of the Market Abuse Regime.

Going Concern and Viability Statement

The Consolidated Financial Statements have been prepared on a going concern basis. After making enquiries and considering the Group's financial position, its business model, strategy, financial forecasts and regulatory capital together with its principal risks and uncertainties, the Directors have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due for at least 12 months from the date of signing this report. The going concern basis of preparation is discussed within Note 2 of the Financial Statements.

In accordance with provision 31 of the UK Corporate Governance Code, the Directors have assessed the prospects of the Group over a longer period than the 12 months required by the going concern provision. Details of the assessment can be found on page 78 of the Viability Statement section of the Strategic Report.

Post Balance Sheet Events

There have been no material post balance sheet events involving the Company or any of the Company's subsidiaries as at the date of this report.

Disclosure of Information to Auditor

Each of the Directors at the date of the approval of this Annual Report confirms that:

- So far as each of them is aware, there is no relevant audit information of which the Group's auditor is unaware; and
- each of them has taken all the reasonable steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Group's auditor is aware of the information.

The confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Auditor

Deloitte LLP has indicated their willingness to continue in office and resolutions to reappoint them as auditor and to authorise the Audit and Risk Committee to determine the auditor's remuneration will be proposed at the forthcoming Annual General Meeting ('AGM') to be held on 15 May 2025.

Annual General Meeting

The full details of the Company's 2025 AGM, which will take place on 15 May 2025, are set out in the Notice of 2025 AGM. A copy of this can be found on the Company's website at: pensionbee.com/investor-relations.

Approved by the Board on 12 March 2025 and signed on its behalf by:



Romi Savova
Chief Executive Officer
12 March 2025

09 Statement of Directors' Responsibilities

The Directors are responsible for preparing the Annual Report and Financial Statements 2024 in accordance with applicable law and regulations.

Company law requires the Directors to prepare Financial Statements for each financial year. Under that law, they are required to prepare the Group Financial Statements in accordance with International Financial Reporting Standards ('IFRS') as adopted by the UK in conformity with the requirements of the Companies Act 2006 and have elected to prepare the Parent Company Financial Statements in accordance with UK Accounting Standards, including FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland. Under company law, the Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of their profit or loss for that period.

In preparing each of the Group and Parent Company Financial Statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable, relevant, reliable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the Financial Statements; and
- Prepare the Financial Statements on a going concern basis unless it is inappropriate to presume that the Group and the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and the Company's operations and disclose with reasonable accuracy at any time the financial position of the Group and the Company and that enable them to ensure that its Financial Statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and the Company and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a Strategic Report, Directors' Report, Directors' Remuneration Report and Corporate Governance Report that complies with that law and those regulations. The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

We confirm that to the best of our knowledge:

- The Financial Statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities and financial position of the Group and the Company and profit or loss of the Group and the undertakings included in the consolidation taken as a whole; and
- The Strategic Report includes a fair review of the development and performance of the business and the position of the issuer and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that it faces.

We consider that the Annual Report and Financial Statements 2024, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's and the Company's position and performance, business model and strategy.

Approved by the Board of Directors on 12 March 2025 and signed on its behalf by:



Romi Savova
Chief Executive Officer
12 March 2025

Financial Statements



01 Independent Auditor's Report to the Members of PensionBee Group plc

Report on the audit of the financial statements

1. Opinion

In our opinion:

- the financial statements of PensionBee Group plc (the 'Parent Company') and its subsidiaries (together the 'Group') give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 December 2024 and of the Group's loss for the year then ended;
- the Group financial statements have been properly prepared in accordance with United Kingdom adopted international accounting standards;
- the Parent Company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the Consolidated Statement of Comprehensive Income;
- the Consolidated and Parent Company Statements of Financial Position;
- the Consolidated and Parent Company Statements of Changes in Equity;
- the Consolidated Statement of Cash Flows;
- the related Notes 1 to 28 to the Consolidated Financial Statements; and
- the related Notes 1 to 10 of the Parent Company Financial Statements.

The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law, United Kingdom adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the Parent Company financial statements is applicable law and the United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

2. Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ('ISAs (UK)') and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the Group and the Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. The non-audit services provided to the Group and Parent Company for the year are disclosed in Note 11 to the financial statements. We confirm that we have not provided any non-audit services prohibited by the FRC's Ethical Standard to the Group or the Parent Company.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3. Summary of our Audit Approach

Key audit matters	The key audit matter that we identified in the current year was: • Revenue recognition Within this report, key audit matters are identified as follows:  Similar level of risk
Materiality	The materiality that we used for the Group financial statements was £631,100 which was determined on the basis of 1.9% of Group Revenue.
Scoping	We audited the Group as a single component, covering 100% of Net Assets, Revenue and Loss before Tax.

Significant changes in our approach	Due to incorporation of PensionBee Inc. during the current year we considered a lower materiality for items in the statement of comprehensive income to reflect investor focus on the US operating segment's performance.
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4. Conclusions relating to Going Concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our evaluation of the directors' assessment of the Group's and Parent Company's ability to continue to adopt the going concern basis of accounting included the following:

- We evaluated the Group's going concern assessment in light of changes to the UK's macroeconomic conditions; this included obtaining evidence such as underlying business plans and forecasts to support key assumptions;
- We assessed the Group's stress testing and the likelihood of the various scenarios that could adversely impact upon the Group's liquidity;
- We assessed the Group's ability to apply mitigative actions in response to a downturn scenario; This included performing analysis of the Group's cost base and identifying whether there existed any significant committed expenditure;
- We performed independent reverse stress testing which considered scenarios that could adversely impact upon the Group's liquidity. The stresses applied in our independent analysis were more severe than those used by the Group in their reverse stress tests;
- We obtained and inspected correspondence between the Group and its regulator, the FCA, to identify any items of interest which could potentially indicate non-compliance with legislation or potential litigation, or regulatory action held against the Group; and
- We assessed the appropriateness of the going concern disclosures in the financial statements.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's and Parent Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In relation to the reporting on how the Group has applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the Directors' Report in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

5. Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5.1 Revenue recognition

Key audit matter description	The sole material Revenue stream for the Group is fees from fund administration in the UK. These fees are earned for administering the customer pension schemes and are charged based on a fixed percentage of the value of a customer's assets held by the pension scheme. This fixed percentage is charged at a 50% discount for units above a set threshold. The revenue recognition key audit matter relates to both the accuracy of the fee percentages applied by management when calculating the administration fees, as well as to the accuracy of the value of the Assets under Administration ('AUA') which the fees are applied to. A minor percentage change in either of these may have a material impact on the overall year-end result reported. Having considered the opportunities and incentives that may exist within the organisation for fraud, we identified the greatest potential for fraud was within Revenue. Revenue recognised in the period ended 31 December 2024 was £33.2m (2023: £23.8m); further details are included within Notes 2 and 4 to the financial statements.
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How the scope of our audit responded to the key audit matter	We obtained an understanding of the relevant controls relating to the percentages and the value of AUA used in the calculation of the administration fees. We tested the appropriateness of the fee percentage applied by management on customer pension schemes in the period by engaging analytics specialists to perform a 100% recalculation of the 2024 administration fee revenue by applying the fee percentages in PensionBee's terms & conditions to customers' transactional data. We tested the completeness and accuracy of the underlying transactional data which makes up the value of the Assets under Administration, both through procedures performed by the core audit team and with the involvement of analytics specialists. The engagement team agreed transactions made by customers in the period to bank statements and money manager data, and agreed the opening balance of customer data to prior year amounts. Working with our analytics specialists we have performed data quality checks to determine whether customer data was consistent with customer transactions during the year.
Key observations	Based on the work performed we have concluded that the Revenue recognised is appropriate.

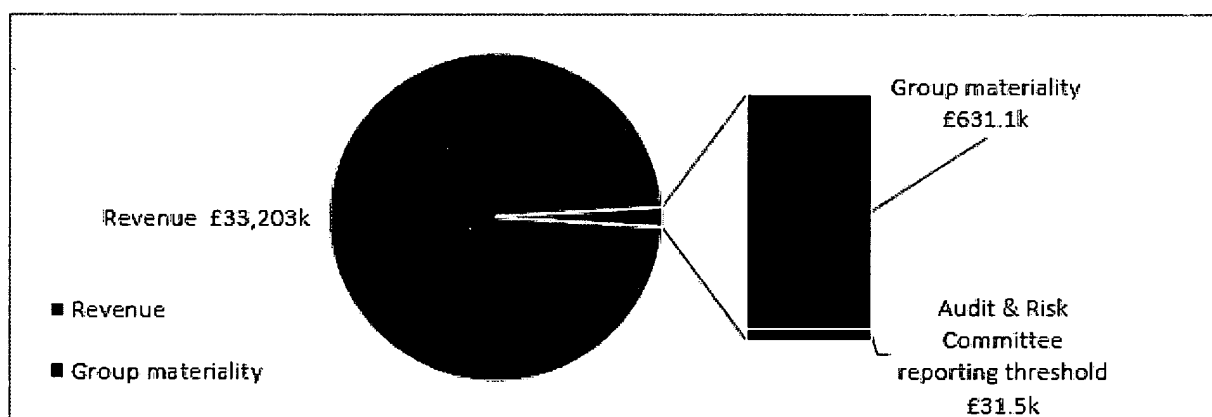
6. Our Application of Materiality

6.1 Materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Group financial statements	Parent Company financial statements
Materiality	£631.1k (2023: £456.5k)	£631.1k (2023: £456.5k)
Basis for determining materiality	1.9% of Revenue (2023: 2% of Revenue)	For the purpose of our opinion on the Parent Company financial statements materiality has been set at 1% of Net Assets capped at Group materiality (2023: 1% of Net Assets capped at Group materiality).
Rationale for the benchmark applied	Revenue has been determined as the most appropriate benchmark due to the fact that it is a key balance used for determining future profitability and stability of the Group, and is a key metric used by stakeholders in assessing the financial performance of the Group.	The Parent Company exists primarily as the holding company which carries investments in Group subsidiaries and is the issuer of listed securities. We consider Net Assets to be the critical benchmark for this company.



We have also used a separate materiality for the items in the statement of comprehensive income for PensionBee Inc. due to investor focus on the performance of the US section of the operating segment. We determined a lower materiality of £134.2k based on 5% of US expenses.

6.2 Performance materiality

We set performance materiality at a level lower than materiality to reduce the probability that, in aggregate, uncorrected and undetected misstatements exceed the materiality for the financial statements as a whole.

	Group financial statements	Parent Company financial statements
Performance materiality	65% (2023: 65%) of Group materiality	65% (2023: 65%) of Parent Company materiality
Basis and rationale for determining performance materiality	In determining performance materiality, we considered the following factors: a. Our risk assessment, including our assessment of the Group's overall control environment; b. the low number of corrected misstatements identified in the previous audit; and c. changes in the business including the incorporation of PensionBee Inc. during 2024.	

6.3 Error reporting threshold

We agreed with the Audit and Risk Committee that we would report to the Committee all audit differences in excess of £31.5k (2023: £22.8k), as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Audit and Risk Committee on disclosure matters that we identified when assessing the overall presentation of the financial statements.

7. An Overview of the Scope of our Audit

7.1 Identification and scoping of components

Our audit was scoped by obtaining an understanding of the Group and its environment, including group-wide controls, and assessing the risks of material misstatement at the Group level.

The Group maintains a single aggregated set of accounting records for all of its operations, and we therefore audited the entire Group as a single component, covering 100% of Net Assets, Revenue and Loss before Tax. For the audit of the Parent Company, management deconsolidated the Group financial information to identify the relevant Parent Company-only balances and transactions such as inter-company balances.

Audit work to respond to the risks of material misstatement was performed directly by the Group audit engagement team.

7.2 Our consideration of the control environment

We obtained an understanding of relevant controls, over key business cycles, including, financial reporting, revenue, payroll, expenses and cash in order to understand whether controls were effectively designed to address the related risk.

With the involvement of IT specialists we tested the general IT controls ('GITCs') over key financial reporting systems and relevant automated controls within those systems. In relation to GITCs, we performed an independent risk assessment of the systems used to support business processes and reporting to determine those which are of greatest relevance to the Group's financial reporting. We performed testing of GITCs across our in-scope applications, and their supporting infrastructure (database and operating system) which included obtaining an understanding of the controls surrounding access security and change management, as well as testing over relevant automated controls.

We reported findings from our controls work to the Audit and Risk Committee. Across all areas, we adopted a non-controls reliance approach in response to these findings and note the Audit and Risk Committee's discussion of the control environment in their report commencing on page 103.

7.3 Our consideration of climate-related risks

In planning our audit, we have considered the potential impact of climate change on the Group's business and its financial statements.

The Group continues to develop its assessment of the potential impacts of environmental, social and governance ('ESG') related risks, including climate change, as outlined in ESG Considerations on pages 46-55.

We have performed our own qualitative risk assessment of the potential impact of climate change on the Group's account balances and classes of transactions. Our work involved:

- evaluating climate as a factor in risk assessments for potentially affected balances;
- assessing the completeness of the risks identified and considered in the Group's climate risk assessment and the conclusion that there continues to be no material impact of climate change risk on financial reporting; and
- evaluating the appropriateness of disclosures included in the financial statements in Note 1.

As part of our audit procedures, we read the Strategic Report to consider whether the climate related disclosures are materially consistent with the financial statements and knowledge obtained in the audit.

8. Other Information

The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the Annual Report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

9. Responsibilities of Directors

As explained more fully in the Statement of Directors' Responsibilities on page 129, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

10. Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

11. Extent to which the Audit was Considered Capable of Detecting Irregularities, including Fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

11.1 Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance including the design of the Group's remuneration policies, key drivers for directors' remuneration, bonus levels and performance targets;
- the Group's own assessment of the risks that irregularities may occur either as a result of fraud or error that was approved by the Audit and Risk Committee;
- results of our enquiries of management, the directors and the Audit and Risk committee about their own identification and assessment of the risks of irregularities, including those that are specific to the Group's sector;
- any matters we identified having obtained and reviewed the Group's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team and relevant internal specialists, including IT, and analytics specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following area: revenue recognition. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the Group operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act, the Listing Rules and relevant tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Group's ability to operate or to avoid a material penalty. These included the Group's operating licence, regulatory solvency requirements and the regulations imposed by the Financial Conduct Authority (the 'FCA').

11.2 Audit response to risks identified

As a result of performing the above, we identified revenue recognition as a key audit matter related to the potential risk of fraud. The key audit matters section of our report explains the matter in more detail and also describes the specific procedures we performed in response to that key audit matter.

In addition to the above, our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- making enquires of management, the Audit and Risk Committee and in-house legal counsel concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing correspondence with the FCA; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including internal specialists, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Report on Other Legal and Regulatory Requirements

12. Opinions on Other Matters Prescribed by the Companies Act 2006

In our opinion the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Group and the Parent Company and their environment obtained in the course of the audit, we have not identified any material misstatements in the Strategic Report or the Directors' Report.

13. Corporate Governance Statement

The Listing Rules require us to review the statement in the Strategic Report and Corporate Governance Report in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the Group's compliance with the provisions of the UK Corporate Governance Code specified for our review.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements and our knowledge obtained during the audit:

- the statement in the Directors' Report with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 124;
- the directors' explanation as to its assessment of the Group's prospects, the period this assessment covers and why the period is appropriate set out on page 124;
- the directors' statement on fair, balanced and understandable set out on page 124;
- the board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on page 124;
- the section of the Annual Report that describes the review of effectiveness of risk management and internal control systems set out on pages 70 to 77; and
- the section describing the work of the Audit and Risk Committee set out on pages 103 to 109.

14. Matters on which we are Required to Report by Exception

14.1 Adequacy of explanations received and accounting records

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company financial statements are not in agreement with the accounting records and returns.

We have nothing to report in respect of these matters.

14.2 Directors' remuneration

Under the Companies Act 2006 we are also required to report if in our opinion certain disclosures of directors' remuneration have not been made or the part of the Directors' Remuneration Report to be audited is not in agreement with the accounting records and returns.

We have nothing to report in respect of these matters.

15. Other Matters which we are Required to Address

15.1 Auditor tenure

Following the recommendation of the Audit and Risk Committee, we were appointed by the Board of Directors on 23 June 2021 to audit the financial statements for the year ended 31 December 2021 and subsequent financial periods. The period of total uninterrupted engagement including previous renewals and reappointments of the firm is four years, covering the years ended 31 December 2021 to 31 December 2024.

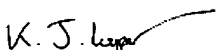
15.2 Consistency of the audit report with the additional report to the Audit and Risk Committee

Our audit opinion is consistent with the additional report to the Audit and Risk Committee we are required to provide in accordance with ISAs (UK).

16. Use of our Report

This report is made solely to the Parent Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Parent Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Parent Company its members as a body, for our audit work, for this report, or for the opinions we have formed.

As required by the FCA Disclosure Guidance and Transparency Rule ('DTR') 4.1.15R – DTR 4.1.18R, these financial statements will form part of the Electronic Format Annual Financial Report filed on the National Storage Mechanism of the FCA in accordance with DTR 4.1.15R – DTR 4.1.18R. This auditor's report provides no assurance over whether the Electronic Format Annual Financial Report has been prepared in compliance with DTR 4.1.15R – DTR 4.1.18R.



Kieren Cooper FCA (Senior statutory auditor)

For and on behalf of Deloitte LLP

Statutory Auditor

Birmingham, United Kingdom

12 March 2025

02 Consolidated Statement of Comprehensive Income

For the year ended 31 December 2024

		2024	2023
	Note	£ 000	£ 000
Revenue	4	33,203	23,817
Employee Benefits Expense (excluding Share-based Payments)	6	(12,618)	(12,301)
Share-based Payments	6, 24	(3,150)	(2,182)
Depreciation and Amortisation Expense	14, 16	(289)	(288)
Advertising and Marketing		(9,880)	(9,718)
Other Expenses	8	(11,034)	(10,017)
Other Income	9	767	-
Expansion Costs	28	(222)	-
Operating Profit/(Loss)		(3,223)	(10,689)
Finance Income	10	102	6
Finance Costs	10	(26)	(36)
Profit/(Loss) before Tax		(3,147)	(10,719)
Taxation	12	11	150
Profit/(Loss) for the Period		(3,136)	(10,569)
Total Comprehensive Profit/(Loss) for the Period wholly attributable to Equity Holders of the Parent Company		(3,136)	(10,569)
Earnings per Share (pence per Share)			
Basic and Diluted	13	(1.38)	(4.73)

The above results were derived from continuing operations.

The notes on pages 142 to 161 form an integral part of these financial statements.

03 Consolidated Statement of Financial Position

As at 31 December 2024

		2024	2023
	Note	£ 000	£ 000
Assets			
Non-current Assets			
Property, Plant and Equipment	14	276	305
Intangible Assets	15	264	-
Right of Use Assets	16	270	412
Financial Assets (Deposits)		243	147
		1,053	864
Current Assets			
Trade and Other Receivables	17	5,224	4,347
Cash and Cash Equivalents		34,995	12,214
		40,219	16,561
Total Assets		41,272	17,425
Equity and Liabilities			
Equity			
Share Capital	18	236	224
Share Premium	19	72,445	53,218
Share-based Payment Reserve	19, 24	15,547	12,397
Foreign Currency Translation Reserve		(46)	-
Retained Earnings	19	(53,831)	(50,694)
Total Equity		34,351	15,145
Non-current Liabilities			
Lease Liability	20	125	292
Provisions	21	53	49
		178	341
Current Liabilities			
Lease Liability	20	167	106
Trade and Other Payables	22	6,576	1,833
		6,743	1,939
Total Liabilities		6,921	2,280
Total Equity and Liabilities		41,272	17,425

The notes on pages 142 to 161 form an integral part of these financial statements.

Approved by the Board on 12 March 2025 and signed on its behalf by:



Christoph J. Martin
Chief Financial Officer
PensionBee Group plc
Company registered number: 13172844

04 Consolidated Statement of Changes in Equity

For the year ended 31 December 2024

		Share Capital	Share Premium	Share-based Payment Reserve	Foreign Currency Translation Reserve	Retained Earnings	Total
	Note	£ 000	£ 000	£ 000	£ 000	£ 000	£ 000
At 1 January 2023		223	53,218	10,215	-	(40,124)	23,532
Profit/(Loss) for the Year		-	-	-	-	(10,569)	(10,569)
Total Comprehensive Profit/(Loss)		-	-	-	-	(10,569)	(10,569)
Share-based Payment Transactions		-	-	2,182	-	-	2,182
Exercise of Share Options	24	1	-	-	-	(1)	-
At 31 December 2023		224	53,218	12,397	-	(50,694)	15,145
At 1 January 2024		224	53,218	12,397	-	(50,694)	15,145
Profit/(Loss) for the Year		-	-	-	-	(3,136)	(3,136)
Total Comprehensive Profit/(Loss)		-	-	-	-	(3,136)	(3,136)
Share-based Payment Transactions		-	-	3,150	-	-	3,150
Issue of Share Capital	18	11	19,989	-	-	-	20,000
Transaction Costs on Issue of Share Capital	18	-	(762)	-	-	-	(762)
Exercise of Share Options	24	1	-	-	-	(1)	-
Currency Translation Adjustment		-	-	-	(46)	-	(46)
At 31 December 2024		236	72,445	15,547	(46)	(53,831)	34,351

The notes on pages 142 to 161 form an integral part of these consolidated financial statements.

05 Consolidated Statement of Cash Flows

For the year ended 31 December 2024

		2024	2023
	Note	£ 000	£ 000
Cash Flows from Operating Activities			
Profit/(Loss) for the Year		(3,136)	(10,569)
Adjustments for:			
Depreciation and Amortisation		289	288
Finance Costs	10	26	36
Unrealised Foreign Exchange		(85)	-
Share-based Payments		3,150	2,182
Taxation	12	(11)	(150)
Operating Cash Flows before movements in Working Capital		233	(8,213)
Working Capital Movements			
Increase in Financial Assets (Deposits)		(118)	(147)
Increase in Trade and Other Receivables	17	(994)	(1,406)
Increase in Trade and Other Payables	22	4,745	318
Cash generated from/(used in) Operations		3,866	(9,448)
Income Taxes Received	12	150	623
Net Cash Inflow/(Outflow) from Operating Activities		4,016	(8,825)
Cash Flows from Investing Activities			
Payment for Equipment	14	(117)	(96)
Payment for Intangible Assets	15	(267)	-
Net Cash Outflow from Investing Activities		(384)	(96)
Cash Flows from Financing Activities			
Proceeds from Issue of Ordinary Share Capital	18	20,000	-
Transaction Costs on Issue of Share Capital	18	(762)	-
Payment of Principal of Lease Liabilities	20	(106)	(153)
Payment of Interest of Lease Liabilities	20	(22)	(33)
Net Cash Inflow/(Outflow) from Financing Activities		19,110	(186)
Net Decrease in Cash and Cash Equivalents		22,742	(9,107)
Cash and Cash Equivalents at 1 January		12,214	21,321
Effects of Exchange Rate Changes on Cash and Cash Equivalents		39	-
Cash and Cash Equivalents at 31 December		34,995	12,214

Changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes have been disclosed in Note 20 to the financial statements.

The notes on pages 142 to 161 form an integral part of these consolidated financial statements.

06 Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

1. General Information

PensionBee Group plc (the 'Company') is the parent company of PensionBee Limited, PensionBee Trustees Limited and PensionBee Inc. (the 'Subsidiaries') (together the 'Group'). The Company is a public company, whose shares are traded on the Main Market of the London Stock Exchange ('LSE'), and is incorporated and domiciled in England and Wales.

The address of its registered office is:
209 Blackfriars Road
London
SE1 8NL
United Kingdom

Principal Activity

The principal activity of the Group is that of an online retirement savings provider. The Group seeks to make its customers 'Pension Confident' by giving them complete control and clarity over their retirement savings. The Group helps its customers to combine their retirement savings into one new online plan where they can contribute, forecast outcomes, invest effectively, and withdraw their pensions, all from the palm of their hand.

2. Accounting Policies

Basis of Preparation

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ('IFRS') as adopted by the UK in conformity with the requirements of the Companies Act 2006. The financial statements are prepared on the historical cost basis and on a going concern basis.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies.

The financial statements are presented in GBP and all values are rounded to the nearest thousand (£'000), except when otherwise indicated. The functional currency of the Company is GBP because it is the primary currency in the economic environment in which the Company operates and cash flows from financing activities are generated.

Basis of Consolidation

The consolidated financial statements consolidate the financial statements of the Company and its subsidiary undertakings drawn up to 31 December 2024.

A subsidiary is an entity controlled by the Company. Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The Company reassesses whether it controls an entity if facts and circumstances indicate there are changes to one or more elements of control.

On 21 March 2024, PensionBee Group plc incorporated a new wholly owned subsidiary, PensionBee Inc. in Delaware, US with operational headquarters in New York. The incorporation of this subsidiary is part of the Group's strategic initiative to expand its operations into the US market.

On 27 November 2024, PensionBee Group plc wholly acquired PensionBee Trustees Limited at book value of £1. From the acquisition date, PensionBee Trustees Limited became a subsidiary of PensionBee Group plc. PensionBee Trustees Limited holds the scheme's assets and liabilities under a bare trust arrangement and are not recognised within its financial statements. The subsidiary is non-operational.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the group are eliminated on consolidation.

Summary of Accounting Policies and Key Accounting Estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Going Concern

The Directors have a reasonable expectation that the Company has adequate financial resources to continue in operational existence for the foreseeable future and are satisfied that the Company can continue to meet its liabilities as they fall due for at least 12 months from the date of approval of these financial statements. This assessment is supported by the Company's strong group cash reserves and projected profitable growth in its established operating subsidiary in the UK business.

The Company's investments consist of two subsidiaries: the established operating entity in the UK growing profitable and a newly formed US subsidiary currently in its investment phase. A conservative approach was adopted for this assessment, focusing on the established subsidiary's operational viability. The consideration of the US market opportunity has been accounted for by excluding associated US business revenue and other income. However, associated potential US operating costs and short-term funding

requirements remain factored into the group's overall financial resource calculations. The UK subsidiary has achieved Adjusted EBITDA profitability and is positioned to fund its own future profitable growth.

The established subsidiary has been operationally resilient as proven by consistent operational efficiencies that have been maintained during the financial year. Stress testing was carried out by considering severe and unlikely but possible scenarios including a sharp decline in equity markets, the worsening of conversion and lower transferred-in pension pot sizes, all of which could potentially be caused by the geopolitical and macroeconomic environment, increased cost of living in the UK and the US and interest rate rises. The Company's strong financial position, including the recent capital raise and the UK business's profitability, provides resilience against such macroeconomic downturns.

The Directors have concluded that the Company has sufficient financial resources to remain in operational existence, even considering potential macroeconomic downturns. Therefore, the Directors have adopted the going concern basis of preparation for these financial statements.

Climate Change

The Directors have assessed the potential impacts of climate-related risks on the Group's operations and financial statements and the detailed assessment has been disclosed in the Climate-related Disclosures section. Following a thorough evaluation of the Group's operations and industry dynamics, the Directors have concluded that climate related risks do not have a material impact on the Group's operations and financial statements.

Changes in Accounting Policy

The following amendments are effective for the period beginning 1 January 2024:

Standard	Effective Date, Annual Period beginning on or after
Amendments to IAS 1 – Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to IAS 1 – Noncurrent Liabilities with Covenants	1 January 2024
Amendments to IFRS 16 – Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to IAS 7 and IFRS 7 – Supplier Finance Arrangements	1 January 2024

All the changes were adopted by the Group. None of the standards, interpretations and amendments, effective for the first time from 1 January 2024, have had a material effect on the financial statements.

New Standards, Interpretations and Amendments not yet Effective

The new standards which are not yet effective will not have a material impact on the financial statements. None of them have been early adopted.

Standard	Effective Date, Annual Period beginning on or after
Amendments to IAS 21 – The Effects of Changes in Foreign Exchange Rates	1 January 2025
Amendments to IFRS 18 – Presentation and Disclosures in Financial Statements	1 January 2027
Amendments to IFRS 19 – Subsidiaries without Public Accountability: Disclosures	1 January 2027

Revenue Recognition

Revenue represents amounts receivable for services net of VAT. Revenue is derived from the administration of our customers' retirement savings and the provision of one-off ancillary services to customers. The Group operates a service to combine and transfer customers' old retirement savings into new online plans, which are subsequently managed by third party money managers. The Group has applied the 5-step model outlined in IFRS 15 Revenue from contracts with customers as is set out below:

Identification of the contract with a customer - During account opening, the customer is made aware of the promises the Group is making. Rights and obligations of each party are outlined. The point at which the customer agrees to the terms and conditions is the point at which both the Group and the customer have signed or agreed the contract.

Identification of the performance obligations in the contract - The Group makes one promise to its customers, the careful administration of the customers' retirement savings, including through investments with its third party money managers. The Group performs administrative tasks during the process of on-boarding its customers to its technology platform which are necessary for the fulfilment of administration of the customers' retirement savings. The Group does not consider these administrative tasks to be a separate performance obligation. As a result, it is considered that the Group has a single performance obligation, which is the administration of the customers' retirement savings.

Determination of the transaction price – The money managers invest customers' retirement savings in funds ('Group Plans') that match each customer's selection. The Group charges an annual management fee that is charged daily against the units held by each customer. The annual management fee is based on a fixed percentage (%) which varies for each of the Group Plans. In the UK, fees range from 0.50% to 0.95%. There is a further fixed discount of 50% provided to customers who have over £100,000 in their pension pots. The discount is applied to the incremental amount over and above £100,000. In the US, fees are 0.85%.

Allocation of the transaction price - As there is only one performance obligation, the whole transaction price is allocated to this performance obligation.

Recognition of revenue when a performance obligation is satisfied - The administration of customers' retirement savings is continuous until the customer fully withdraws their retirement pot or transfers it to another registered retirement savings provider. Revenue is recognised over time as the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs them. The performance obligation is satisfied when the customer receives the service. Revenue is calculated daily as a percentage (basis points) of the value of Assets under Administration ('AUA') as agreed by the customer. Payment is due on a daily basis but settled on a monthly basis.

Consideration Payable to Customers

The Group runs an incentive-linked marketing campaign where a customer becomes entitled to a contribution upon sign-up with PensionBee. This consideration payable to the customer is not in exchange for a distinct good or service that the customer transfers to the Group. Therefore, it is accounted for as a reduction to the transaction price. The full consideration is accounted for as a revenue reduction in the year it is payable because the difference between spreading it over the contract life and recognising it in full in the year it is incurred is not material. A materiality assessment is done annually.

Recurring Revenue

The Group's Revenue is recurring in nature as the annual charges are calculated daily as a percentage (basis points) of the value of AUA and will continue to be earned on an ongoing basis whilst the Group administers those assets. Recurring Revenue is derived from management fees and is recognised based on daily accruals of customers' retirement savings balances as the performance obligation, being the provision of retirement savings scheme administration services to customers, is met. These management fees are charged daily and collected by the Group on a monthly basis.

Other Revenue

Other Revenue relates to commission earned from referring individuals to purchase life insurance products and to a one-off charge for full draw-down within one year of becoming an Invested Customer. For this revenue stream, the performance obligation is the execution of the requested task. There are fee structures in place which are used to determine the transaction price. Revenue is recognised at a point in time when the requested task is executed (when the service is provided to the customer).

Other Income

Other Income relates to amounts received in relation to marketing costs reimbursements. Under an agreement with State Street Global Advisors ('State Street'), the Group is reimbursed for certain marketing costs incurred by its subsidiary PensionBee Inc. The recognition of such reimbursements as Other Income is contingent upon the achievement of specified net new asset thresholds. Amounts received in advance are recorded as deferred income and recognised as other income only when the corresponding qualifying marketing costs have been incurred by PensionBee Inc.

Foreign Currency Transactions and Balances

Functional and presentation currency

Items included in the financial statements of each of the group entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency').

Foreign currency transactions and balances

In preparing the financial statements of the group entities, transactions in currencies other than the entity's functional currency ('foreign currencies') are recognised at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences are recognised in the Statement of Comprehensive Income in the period in which they arise.

Foreign operations

For the purpose of presenting the Consolidated Financial Statements, the results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- income and expenses for each statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and,
- all resulting exchange differences are recognised in the Statement of Comprehensive Income and accumulated in a foreign currency translation reserve.

Taxation

Tax on the loss for the year comprises research and development credit. There was no current or deferred tax charge for the year (2023: £nil). Tax is recognised in the Statement of Comprehensive Income except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the United Kingdom.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes liabilities where appropriate.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Property, Plant and Equipment

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. The Group assesses at each reporting date whether there are impairment indicators for tangible fixed assets.

Depreciation

Depreciation is charged to the Statement of Comprehensive Income on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. The estimated useful lives are as follows:

Asset Class	Depreciation Method and Rate
Computer Equipment	three years straight line
Furniture and Fittings	four years straight line
Leasehold Improvements	straight line over life of the lease
Right of Use Assets	straight line over life of the lease

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal (i.e. at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Comprehensive Income when the asset is derecognised.

The residual values, useful lives, and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Internally Generated Intangible Assets – research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following conditions have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale
- the intention to complete the intangible asset and use or sell it
- the ability to use or sell the intangible asset
- how the intangible asset will generate probable future economic benefits
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no intangible asset can be recognised, development expenditure is recognised in the Statement of Comprehensive Income in the period in which it is incurred.

Subsequent to initial recognition, intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses. The estimated useful lives are as follows:

Asset Class	Amortisation Method and Rate
Capitalised Development Costs	eight years straight line

Intangible assets are amortised from the point at which the assets are available for use.

Impairment of Non-Financial Assets

The Group assesses at each reporting date, whether there is an indication that an asset may be impaired. If any such indication exists, the recoverable amount of the asset is estimated based on an asset's fair value less cost of disposal. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Impairment loss is recognised in the Statement of Comprehensive Income.

Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and short term highly liquid deposits with a maturity of less than 3 months.

Trade Receivables

Trade and other receivables are recognised initially at the transaction price less attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade receivables and other receivables.

Trade Payables

Trade and other payables are recognised initially at transaction price plus attributable transaction costs. Subsequently they are measured at amortised cost using the effective interest method. Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the Directors' best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material.

Leases

Initial Recognition and Measurement

The Group initially recognises a lease liability for the obligation to make lease payments and a right-of-use asset for the right to use the underlying asset for the lease term.

The lease liability is measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments, purchase options at exercise price (where payment is reasonably certain), expected amount of residual value guarantees, termination option penalties (where payment is considered reasonably certain) and variable lease payments that depend on an index or rate.

The right-of-use asset is initially measured at the amount of the lease liability, adjusted for lease prepayments, lease incentives received, the group's initial direct costs (e.g. commissions) and an estimate of restoration, removal, and dismantling costs.

Subsequent Measurement

After the commencement date, the Group measures the lease liability by:

- Increasing the carrying amount to reflect interest on the lease liability;
- Reducing the carrying amount to reflect the lease payments made; and
- Re-measuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in substance fixed lease payments or on the occurrence of other specific events.

Interest on the lease liability in each period during the lease term is the amount that produces a constant periodic rate of interest on the remaining balance of the lease liability. Interest charges are included in finance cost in the Statement of Comprehensive Income, unless the costs are included in the carrying amount of another asset applying other applicable standards. Variable lease payments not included in the measurement of the lease liability, are included in operating expenses in the period in which the event

or condition that triggers them arises. Repayment of lease liabilities within financing activities in the Statement of Cash Flows include both the principal and interest.

Short Term and Low Value Leases

The Group has made an accounting policy election, by class of underlying asset, not to recognise lease assets and lease liabilities for leases with a lease term of 12 months or less (i.e. short-term leases).

The Group has made an accounting policy election on a lease-by-lease basis, not to recognise lease assets and lease liabilities on leases for which the underlying asset is worth £5,000 or less (i.e. low value leases).

Lease payments on short term and low value leases are accounted for on a straight-line basis over the term of the lease or other systematic basis if considered more appropriate. Short term and low value lease payments are included in operating expenses in the Statement of Comprehensive Income.

Share Capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Defined Contribution Pension Obligation

The Group operates a defined contribution plan for its employees, under which the Group pays fixed contributions into the PensionBee Personal Pension (UK employees) and PensionBee 401(k) (US employees). Once the contributions have been paid, the Group has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in creditors as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Group.

Share-based Payments

The cost of equity-settled transactions with employees is measured by reference to the fair value of the equity instruments granted at the date at which they are granted and is recognised as an expense over the vesting period, which ends on the date on which the relevant employees become fully entitled to the award. Fair value is determined by using the market price of the shares at a point in time adjacent to the issue of the award. In valuing equity-settled transactions, no account is taken of any vesting conditions, other than conditions linked to the price of the shares of the Group (market conditions) and non-vesting conditions. No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market or non-vesting condition, which are treated as vesting irrespective of whether the market or non-vesting condition is satisfied, provided that all other vesting conditions are satisfied. At each balance sheet date, before vesting the cumulative expense is calculated, representing the extent to which the vesting period has expired and management's best estimate of the achievement or otherwise of non-market conditions and of the number of equity instruments that will ultimately vest, or in the case of an instrument subject to a market condition, will be treated as vesting as described above. The movement in cumulative expense since the previous balance sheet date is recognised in the Statement of Comprehensive Income, with a corresponding entry in equity under the Share-based Payment Reserve.

Where the terms of an equity-settled award are modified, or a new award is designated as replacing a cancelled or settled award, the cost based on the original award terms continues to be recognised over the original vesting period. In addition, an expense is recognised over the remainder of the new vesting period for the incremental fair value of any modification, based on the difference between the fair value of the original award and the fair value of the modified award, both as measured on the date of the modification. No reduction is recognised if this difference is negative. Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any cost not yet recognised in the Statement of Comprehensive Income for the award is expensed immediately. Any compensation paid up to the fair value of the award at the cancellation or settlement date is deducted from equity (Share-based Payment Reserve), with any excess over fair value expensed in the Statement of Comprehensive Income.

The Company has established a Share-based Payment Reserve but does not transfer any amounts from this reserve on the exercise or lapse of options. On exercise, shares issued are recognised in share capital at their nominal value. Share premium is recognised to the extent the exercise price is above the nominal value. Where the Company is settling part of the exercise price, a transfer is made from retained earnings to share capital.

Research and Development

Research and development expenditure is recognised as an expense as incurred, except that development expenditure incurred on an individual project that is capitalised as an intangible asset when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, how the asset will generate future economic benefits, the availability of resources to complete development of the asset and the ability to measure reliably the expenditure during development. Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use. The Group's research and development costs relate to costs incurred on projects carried out to advance technology used to serve its customers.

Impairment of Financial Assets

Measurement of Expected Credit Losses

Expected credit losses ('ECLs') are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

For trade and other receivables, the Group applies a simplified approach in calculating the ECLs. Therefore, the Group recognises a loss allowance based on lifetime ECLs at each reporting date.

3. Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In the application of the Group's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The Group does not have any critical accounting judgements or key estimation uncertainties.

4. Revenue

The analysis of the Group's Revenue for the period from continuing operations is as follows:

	2024	2023
	£ 000	£ 000
Recurring Revenue	32,876	23,660
Other Revenue	327	157
	33,203	23,817

Recurring Revenue relates to revenue from the annual management fee charged to customers. There are no individual revenues from customers which exceed 10% of the Group's total Revenue for the year.

5. Operating Segments

Operating segments and reporting segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ('CODM'). The Group considers that the role of CODM is performed by the Board of Directors. The Board of Directors regularly reviews the Group's operating results from a geographical perspective and has identified two reportable segments of the business; the United Kingdom (PensionBee Group plc and PensionBee Limited), and the United States (PensionBee Inc.). PensionBee Trustees Limited is a non-operational company domiciled in the United Kingdom. Both segments provide the same service; the provision of direct-to-consumer online retirement savings consolidation and management.

The Board of Directors uses Operating Profit/(Loss) to assess the performance of the operating segments. The Board of Directors also reviews the assets and liabilities of the segments on a quarterly basis.

Operating Profit

For the year ended 31 December 2024:

	United Kingdom	United States	Intersegmental eliminations	Total
	£ 000	£ 000	£ 000	£ 000
Revenue	34,399	-	(1,196)	33,203
Employee Benefits Expense	(12,163)	(455)	-	(12,618)
Share-based Payments	(3,067)	(83)	-	(3,150)
Depreciation and Amortisation Expense	(286)	(3)	-	(289)
Advertising and Marketing	(9,113)	(767)	-	(9,880)
Other Expenses	(10,766)	(1,472)	1,204	(11,034)
Other Income	-	767	-	767
Expansion Costs	(54)	(168)	-	(222)
Operating Profit/(Loss)	(1,050)	(2,181)	8	(3,223)

For the year ended 31 December 2023, all the Revenue, Expenses and Operating Profit/(Loss) is attributable to the United Kingdom segment.

Segment Assets and Liabilities

	United Kingdom	United States of America	Intersegmental eliminations	Total
	£ 000	£ 000	£ 000	£ 000
Non-current Assets	4,400	144	(3,491)	1,053
Current Assets	34,887	5,332	-	40,219
Non-current Liabilities	(178)	(1,239)	1,239	(178)
Current Liabilities	(2,528)	(4,391)	176	(6,743)
Net Assets	36,581	(154)	(2,076)	34,351

For the year ended 31 December 2023, all Assets and Liabilities are attributable to the United Kingdom segment.

Adjusted EBITDA

Adjusted EBITDA excludes the effects of significant items of income and expenditure which might have an impact on the quality of earnings such as non-recurring costs (Expansion Costs) and the effects of equity-settled Share-based Payments. See Note 28 for the reconciliation of the Operating Profit/(Loss) to Adjusted EBITDA.

6. Employee Benefits Expense

The aggregate payroll costs (including Directors' remuneration) were as follows:

	2024	2023
	£ 000	£ 000
Wages and Salaries	11,109	10,801
Social Security Costs	1,215	1,200
Pension Costs, Defined Contribution Scheme	294	300
	12,618	12,301
Share-based Payments	3,150	2,182
	15,768	14,483

The average number of persons employed by the Group (including Directors) during the year, analysed by category, was as follows:

	2024	2023
	No.	No.
Executive Management	10	10
Technology and Product	44	47
Marketing	18	17
Customer Service	82	92
Legal, Compliance and Risk	15	12
Administration and Other	24	24
	193	202

7. Directors' Remuneration

The Directors' remuneration for the year was as follows:

	2024	2023
	£ 000	£ 000
Remuneration	1,008	963
Group Contributions paid to Defined Contribution Pension Schemes	11	11
	1,019	974

During the year the number of Directors who were receiving benefits and share incentives was as follows:

	2024	2023
	No.	No.
Members of Defined Contribution Pension Schemes	5	5

In respect of the highest paid Director:

	2024	2023
	£ 000	£ 000
Remuneration	218	219
Group Contributions to Defined Contribution Pension Schemes	2	2

Exercise of Share Options:

	2024	2023
	£ 000	£ 000
Amount of Gains made on the Exercise of Share Options	293	164

8. Other Expenses

	2024	2023
	£ 000	£ 000
Auditor's Remuneration	256	215
Money Manager Costs	4,315	3,245
Other Expenses	6,463	6,557
	11,034	10,017

Included in Other Expenses are technology and platform costs, professional services fees, irrecoverable VAT and general and administrative costs.

9. Other Income

	2024	2023
	£ 000	£ 000
Other Income	767	-
	767	-

During the year the Company (through its subsidiary, PensionBee Inc.) entered into an agreement with State Street under which State Street will provide meaningful marketing support to PensionBee Inc. Under the terms of the agreement, State Street reimburses marketing costs incurred by PensionBee Inc. The annual amount of the marketing costs reimbursement is based on the achievement of certain net new asset thresholds. Other Income relates to marketing costs reimbursements received from State Street. Amounts received in advance have been accounted for as deferred income and will be released to Other Income to the extent that a qualifying marketing cost has been incurred by PensionBee Inc.

10. Finance Income and Costs

Finance Income:

	2024	2023
	£ 000	£ 000
Interest Income	102	6
	102	6

Finance Costs:

	2024	2023
	£ 000	£ 000
Interest Expense on Lease Liabilities	22	33
Interest Expense on Dilapidations Provision	4	3
	26	36

11. Auditors Remuneration

	2024	2023
	£ 000	£ 000
Audit of the Company's Financial Statements	76	56
Audit of the Company's Subsidiary Financial Statements	140	112
Total Audit Fees	216	168

	2024	2023
	£ 000	£ 000
Audit Related Assurance Services	40	47
Total Audit Related Assurance Fees	40	47

Auditor's remuneration has been shown net of VAT. Audit Related Assurance Fees relate to the half year review of the Group's financial statements and CASS audit services received by PensionBee Limited. No services were provided pursuant to contingent fee arrangements.

12. Taxation

Tax charged/(credited) in the Statement of Comprehensive Income:

	2024	2023
	£ 000	£ 000
Current Taxation		
Corporation Tax	(11)	(150)
Deferred Taxation	-	-
Arising from Origination and Reversal of Temporary Differences	-	-
Arising from Tax Rate Changes	-	-
Total Deferred Taxation	-	-
Tax Credit in the Statement of Comprehensive Income	(11)	(150)

The tax on the Group loss for the year was computed at the UK rate of corporation tax of 25% (2023: 23.5%). From 1 April 2023, the corporation tax rate of 25% was effective for companies with profits of £250,000 and over. PensionBee will likely utilise its carried forward losses while making profits exceeding £250,000 and incurring corporation tax at the rate of 25%.

The differences are reconciled below:

	2024	2023
	£ 000	£ 000
Profit/(Loss) before Tax	(3,147)	(10,709)
Corporation Tax at Standard Rate	(787)	(2,521)
Impact of profits/losses earned in territories with different statutory rates to the UK	(227)	-
Non-deductible Expenses	13	172
Non-deductible Income	(13)	-
Capital Allowances	-	(1)
Share-based Payments	258	318
Unrecognised Tax Losses	984	2,032
Research and Development tax relief	(239)	(150)
Total Tax Credit	(11)	(150)

	2024	2023
	£ 000	£ 000
Fixed Assets Temporary Differences	(73)	(36)
Total Deferred Tax Liability	(73)	(36)
Losses available for offsetting against Future Taxable Income	73	36
Total Deferred Tax Asset	73	36
Net Deferred Tax	-	-

The Group has £84,528,000 of non-expiring carried forward tax losses at 31 December 2024 (2023: £81,394,000) against which no deferred tax asset has been recognised. A deferred tax asset has not been recognised on the basis that there is insufficient certainty over the recovery of these tax losses in the near future.

13. Earnings per Share

Basic Earnings per Share is calculated by dividing the Loss Attributable to Equity Holders of the Company by the Weighted Average Number of ordinary Shares Outstanding during the year.

Diluted Earnings per Share is calculated by dividing the Loss Attributable to Equity Holders of the Company adjusted for the effect that would result from the weighted average number of ordinary shares plus the weighted average number of shares that would be issued on the conversion of all the dilutive potential shares under option. At each balance sheet date reported below, the following potential ordinary shares under option are anti-dilutive and are therefore excluded from the weighted average number of ordinary shares for the purpose of Diluted Earnings per Share.

	2024	2023
Number of Potential Ordinary Shares	9,649,849	6,757,781
Profit/(Loss) Attributable to Equity Holders of PensionBee Group plc (£)	(3,136,000)	(10,569,000)
Weighted Average Number of Ordinary Shares Outstanding during the Year	226,562,419	223,559,764
Basic and Diluted Earnings per Share (pence per Share)	(1.38)	(4.73)

Basic Earnings per Share was (1.38)p for 2024 (2023: (4.73)p).

14. Property, Plant and Equipment

	Fixtures and Fittings	Leasehold Improvements	Computer Equipment	Total
	£ 000	£ 000	£ 000	£ 000
Cost				
At 1 January 2023	61	377	363	801
Additions	2	41	52	95
Disposals	-	-	-	-
At 31 December 2023	63	418	415	896
At 1 January 2024	63	418	415	896
Additions	4	-	114	118
Disposals	-	-	(16)	(16)
At 31 December 2024	67	418	513	998
Accumulated Depreciation				
At 1 January 2023	58	176	209	443
Charge for the year	2	56	90	148
Eliminated on Disposal	-	-	-	-
At 31 December 2023	60	232	299	591
At 1 January 2024	60	232	299	591
Charge for the year	1	59	85	145
Eliminated on Disposal	-	-	(14)	(14)
At 31 December 2024	61	291	370	722
Carrying Amount				
At 31 December 2024	6	127	143	276
At 31 December 2023	3	186	116	305
At 1 January 2023	3	201	154	358

15. Intangible Assets

	Capitalised Development Costs	Total
	£ 000	£ 000
Cost		
At 1 January 2023	-	-
Additions	-	-
Disposals	-	-
At 31 December 2023	-	-
At 1 January 2024	-	-
Additions	267	267
Disposals	-	-
At 31 December 2024	267	267
Accumulated Depreciation		
At 1 January 2023	-	-
Charge for the year	-	-
Eliminated on Disposal	-	-
At 31 December 2023	-	-
At 1 January 2024	-	-
Charge for the year	3	3
Eliminated on Disposal	-	-
At 31 December 2024	3	3
Carrying Amount		
At 31 December 2024	264	264
At 31 December 2023	-	-
At 1 January 2023	-	-

Capitalised development costs include employee costs and directly attributable supplier costs incurred in the development of the technology platform and mobile application.

16. Right of Use Asset

	£ 000
Cost	
At 1 January 2023	706
Additions	-
Disposals	-
At 31 December 2023	706
At 1 January 2024	706
Additions	-
Disposals	-
At 31 December 2024	706
Accumulated Depreciation	
At 1 January 2023	153
Charge for the year	141
Eliminated on Disposal	-
At 31 December 2023	294
At 1 January 2024	294
Charge for the year	142
Eliminated on Disposal	-
At 31 December 2024	436
Carrying Amount	
At 31 December 2024	270
At 31 December 2023	412
At 1 January 2023	553

17. Trade and Other Receivables

	2024	2023
	£ 000	£ 000
Trade Receivables	3,037	2,240
Prepayments	2,105	1,901
Other Receivables	82	206
	5,224	4,347

Trade and Other Receivables are measured at amortised cost and management assessed that the carrying value is approximately their fair value due to the short-term maturities of these balances.

18. Share Capital

Allotted, Called Up and Fully Paid Shares

	2024		2023	
	No. 000	£ 000	No. 000	£ 000
At 1 January	223,963	224	222,862	223
Shares issued	12,159	12	1,101	1
At 31 December	236,122	236	223,963	224

During the year, PensionBee Group plc issued ordinary shares, to satisfy the exercise of share options totalling 1,348,265 ordinary shares (2023: 1,100,706) of £0.001 each. The exercise price for each exercised share option was £0.001 (2023: £0.001).

On 28 October 2024, PensionBee Group plc issued 10,810,811 ordinary shares of £0.001 each to raise capital. Each share was issued at £1.85. Transaction costs incurred and directly attributable to the issuance of these shares amounted to £762,000. These costs were recognised as a reduction to the share premium.

Each ordinary share carries one vote per share and ranks pari passu with respect to dividends and capital.

19. Reserves

Share Premium

The Share Premium account represents the excess of the issue price over the par value on shares issued, less transaction costs arising on the issue.

Share-based Payment Reserve

The Share-based Payment Reserve is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration.

Retained Earnings

The balance in the Retained Earnings account represents the distributable reserves of the Group.

20. Leases

In December 2021, the Group entered into a new property lease with a 5-year lease term ending in December 2026. At inception, the lease liability was determined using a discount rate linked to London office rental yields, adjusted for the risk premium for certain company specific factors as well as taking into consideration the interest rate associated with the revolving credit facility entered into in March 2021 and subsequently cancelled in September 2021. The discount rate applied was 7%. The lease terms have not been amended since inception.

The carrying amounts of Right of Use Assets recognised and the movements during each year are set out in Note 16. Set out below are the carrying amounts of lease liabilities and the movements during the year.

	2024	2023
	£ 000	£ 000
As at 1 January	398	551
Accretion of Interest	22	33
Payments	(128)	(186)
As at 31 December	292	398

Lease Liabilities included in the Statement of Financial Position:

	2024	2023
	£ 000	£ 000
Non-current	125	292
Current	167	106
	292	398

The following are the amounts recognised in the Statement of Comprehensive Income:

	2024	2023
	£ 000	£ 000
Depreciation on Right of Use Asset	142	141
Interest on Lease Liability	22	33
	164	174

21. Provisions

	2024	2023
	£ 000	£ 000
Dilapidations		
As at 1 January	49	46
Interest	4	3
As at 31 December	53	49
Non-current Liabilities	53	49

The Group is required to restore the leased premises of its offices to their original condition at the end of the lease term. The lease term ends on 2 December 2026. A provision has been recognised at the present value of the estimated expenditure required to remove any leasehold improvements. These costs have been capitalised as part of the Right of Use Asset and are amortised over the useful life of the asset.

22. Trade and Other Payables

	2024	2023
	£ 000	£ 000
Trade Payables	111	269
Accrued Expenses	2,257	1,496
Other Payables	77	68
Deferred Income	4,131	-
	6,576	1,833

Trade and Other Payables are measured at amortised cost and management assessed that the carrying value is approximately their fair value due to the short-term maturities of these balances.

Deferred income arises as a result of marketing funding received in advance from State Street Global Advisors, a US-based global financial institution, see Note 9.

23. Pensions and Other Schemes

The Group operates a defined contribution pension scheme (UK employees) and 401(k) (US employees). The retirement cost charge for the year represents contributions payable by the Group to the schemes and amounted to £294,000 (2023: £301,000).

24. Share-based Payments

PensionBee EMI and Non-EMI Share Option Scheme

Scheme Details and Movements

Under the PensionBee EMI and Non-EMI Share Option Scheme share options were granted to eligible employees who have passed their probation period at the Group. The exercise price of all share options is £0.001 per share.

The share options normally vest on the later of the following tranches, 25% of the shares vest on the first anniversary of the vesting commencement date with the remaining 75% of the shares vesting quarterly in equal instalments over the following three years.

The fair value of the share options granted is estimated on the date of grant by reference to the prevailing share price. Before the Company was listed in 2021, the fair value was determined by reference to the price paid by external investors as part of periodic funding rounds.

The weighted average fair value of share options granted during the year was £nil (2023: £ nil).

During the year ended 31 December 2021, share options could be exercised upon the occurrence of an exit event, a takeover, reconstruction, liquidation and sale of the business, to the extent they had vested. In the event that there had been no exit event before the tenth anniversary of the date of grant, the Directors were able to determine that an option holder could exercise their option in the 30 day period before such anniversary.

Following the listing of the Company in 2021, share options can be exercised upon satisfying the service condition.

The movements in the number of share options during the year were as follows:

	2024	2023
	No.	No.
Outstanding, start of the year	1,517,770	2,444,403
Exercised during the year	(995,726)	(910,283)
Expired during the year	(7,310)	(16,350)
Outstanding, end of the year	514,734	1,517,770

The weighted average share price on the dates the share options were exercised during the year was £1.51 (2023: £0.74) and the weighted average remaining contractual life is one month (2023: eight months).

Deferred Share Bonus Awards

Scheme Details and Movements

Under the PensionBee Deferred Share Bonus Plan, awards ('DSB Awards') are granted to eligible employees who are, or were, an employee (including an Executive Director) of the Group who have been granted a bonus. DSB Awards are granted in the subsequent financial year once the annual bonus outturn has been determined. The DSB Awards are granted by way of share options, with an exercise price of £0.001 per share.

For the two Executive Directors that were in office as of 31 December 2021, their 2022 granted DSB Awards cliff vest on the third anniversary of the date of grant. For the rest of the employees and the subsequent grants, DSB Awards vest in three equal instalments over a service period of three years from grant date. DSB Awards vest upon satisfying the service condition.

The fair value of the DSB Awards is the share price on the grant date. DSB Awards can be exercised to the extent they have vested.

The weighted average fair value of DSB Awards granted during 2024 was £0.97 (2023: £0.98).

The movements in the number of DSB Awards during the year were as follows:

	2024	2023
	No.	No.
Outstanding, start of the year	1,280,762	889,551
Granted during the year	1,582,724	626,223
Exercised during the year	(352,539)	(190,423)
Lapsed during the year	(40,190)	(44,589)
Outstanding, end of the year	2,470,757	1,280,762

The weighted average share price on the dates the share options were exercised during the year was £1.50 (2023: £0.80). The weighted average remaining contractual life is 11 months (2023: one year).

Long Term Incentives

Scheme Details and Movements

Under the PensionBee Long Term Incentives Plan, restricted share plan awards ('RSP Awards') are granted to eligible employees who are or were employees (including an Executive Director) of the Group, at mid-level management or higher, who have been granted a bonus. RSP Awards are granted in the subsequent financial year following a bonus grant. The RSP Awards are granted by way of share options, with an exercise price of £0.001 per share.

The RSP Awards vest in tranches, a third of the RSP Awards vest on the third anniversary, a third on the fourth anniversary and the last third on the fifth anniversary of the grant date.

The fair value of the RSP Awards is the share price on the grant date discounted for the restricted selling period. RSP Awards can be exercised to the extent they have vested and after a five year holding period.

The weighted average fair value of RSP Awards granted during 2024 was £0.93 (2023: £0.94).

The movements in the number of RSP Awards during the year were as follows:

	2024	2023
	No.	No.
Outstanding, start of the year	3,959,249	1,285,266
Granted during the year	2,803,728	2,791,756
Exercised during the year	-	-
Lapsed during the year	(98,619)	(117,773)
Outstanding, end of the year	6,664,358	3,959,249

There were no exercises during the year (2023: nil) and the weighted average remaining contractual life is two years and five months. (2023: two years and five months).

Charge/Credit arising from Share-based Payments

The total charge for the year for the Share-based Payments was £3,150,000 (2023: £2,182,000), all of which related to equity-settled share-based payment transactions.

25. Financial Risks Review

This note presents information about the Group's exposure to financial risks and the Group's management of capital. Financial risk exposure results from the operations of the Subsidiary. The Company is not trading and therefore is structured to avoid, in so far as possible, all forms of financial risk.

Financial Risk Management Objectives

The Group has identified the financial risks arising from its activities and has established policies and procedures to manage these risks in accordance with its risk appetite. These risks included market risk, credit risk and liquidity risk. The Group does not enter or trade financial instruments, including derivative financial instruments. Assisted by the Audit and Risk Committee, the Board of Directors has overall responsibility for establishing and overseeing the Group's risk management framework and risk appetite.

The Group's financial risk management policies are intended to ensure that risks, including emerging risks are identified, evaluated and subject to ongoing close monitoring and mitigation where appropriate. The Board of Directors regularly reviews financial risk management policies, procedures and systems to reflect changes in the business, risk horizon, markets and financial instruments used by the Group. The Group's senior management is responsible for the day-to-day management of these risks in accordance with the Group's risk management framework.

Market Risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market prices. Market risk comprises risks including interest rate risk, currency risk and price risk.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group considers interest rate risk to be insignificant due to no debt.

Price Risk

The main source of Revenue is based on the value of Assets under Administration ('AUA'), a measure of the total assets for which a financial institution provides administrative services. The Group has an indirect exposure to price risk on investments held on behalf of customers. These assets are not on the Group's Statement of Financial Position. The risk of lower revenues is partially mitigated by asset class diversification. The Group does not hedge its revenue exposure to movements in the value of customers' assets arising from these risks, and so the interests of the Group are aligned to those of its customers.

A 10% change in equity markets would have an approximate 7.5% impact on Revenue. The 10% change in equity markets is a reasonable approximation of possible change. The key assumption in this assessment is the percentage change of market volatility over the next 12 months from the year ended 2024.

Foreign Exchange Risk

Foreign exchange risk arises when the group entities enter into transactions denominated in a currency other than its functional currency. The Group's policy is, where possible, to allow group entities to settle liabilities denominated in its functional currency with the cash generated from their own operations in that currency.

The Group aims to fund expenses and investments in the respective currency and to manage foreign exchange risk at a local level by matching the currency in which Revenue is generated and expenses are incurred.

Credit Risk

Credit risk is the risk that a counterparty will be unable to pay amounts in full when due. The Group's exposure to credit risk arises principally from its cash balances held with banks and trade receivables. The Group's trade receivables are the contractual cash flow obligations that the payors must meet. The payors are BlackRock and State Street which are high credit rated financial institutions. Assets they hold on behalf of the Group are a small percentage of their net assets and on this basis, credit risk is considered to be low. The Group utilises the simplified approach to provide for expected credit losses allowing the use of lifetime loss allowances to be made. In determining expected credit losses, financial assets have been grouped based on shared credit risk characteristics, such as number of days past due and the counterparty.

At the end of the reporting period no assets were determined to be impaired and there was no balance past due.

In certain cases, the Group will also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Due to the Group's financial assets primarily being trade receivables which all have an expected lifetime of less than 12 months, the Group has elected to measure the expected credit losses at 12 months only. The Group's expected credit loss is £nil (2023: £nil).

Set out below is the information about the credit risk exposure on the Group's trade receivables:

	Days Past Due					
	Current	< 30 days	30-60 days	61-90 days	>91 days	Total
31 December 2024	£ 000			£ 000	£ 000	£ 000
Gross Trade Receivables	3,037	-	-	-	-	3,037
Other Receivables	72	-	-	5	5	82

	Days Past Due					
	Current	< 30 days	30-60 days	61-90 days	>91 days	Total
31 December 2023	£ 000			£ 000	£ 000	£ 000
Gross Trade Receivables	2,240	-	-	-	-	2,240
Other Receivables	179	-	-	-	27	206

The Group's Trade Receivables are concentrated in the following money managers:

	2024	2023
BlackRock	75%	75%
State Street	25%	15%
Legal & General	0%	10%
	100%	100%

Other Receivables mainly comprise of the R&D tax credit due from HMRC and the office rental deposit. The probability of default by these parties is deemed low. The credit risk on liquid funds financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies. The Group's principal Banks are Barclays Bank and HSBC Innovation Banking. The Group only uses banks with a credit rating of at least BBB+ (Standard & Poor's). The Group's liquid funds are concentrated in Barclays, which holds 67% of the total balance as at year end (2023: 72%) and HSBC, which holds 31% of the total balance as at year end (2023: 27%).

Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations to settle its liabilities. This is managed through cash flow forecasting.

Undiscounted Maturity Analysis

The following table sets out the remaining contractual maturities of the group's financial liabilities by type:

	Within 1 year	Between 1 and 5 years	After more than 5 years	Total
31 December 2024	£ 000	£ 000	£ 000	£ 000
Trade and Other Payables	6,576	-	-	6,576
Lease Liabilities	167	125	-	292

	Within 1 year	Between 1 and 5 years	After more than 5 years	Total
31 December 2023	£ 000	£ 000	£ 000	£ 000
Trade and Other Payables	1,833	-	-	1,833
Lease Liabilities	129	309	-	438

Capital Risk Management

For the purpose of the Group's capital management, capital includes issued share capital, share premium and all other equity reserves attributable to the equity holders of the Company.

The Group manages its capital to ensure that it will be able to continue as a going concern by ensuring compliance with regulatory capital requirements set by the FCA and maximising returns to shareholders through optimal capital deployment. Regulatory capital is determined in accordance with the requirements prescribed by the FCA. The Group performs capital assessments and maintains a surplus over the regulatory capital requirement at all times.

The Group met its regulatory capital requirement throughout the years 2023 and 2024.

The Group manages its capital structure and makes adjustments considering changes in economic conditions. To maintain or adjust the capital structure, the Group may return capital to shareholders or issue new shares.

Externally Imposed Capital Requirements

The capital adequacy of the business is monitored on a quarterly basis as part of general business planning by the Finance Team. The Group conducts a capital adequacy assessment process, as required by the Financial Conduct Authority ('FCA') to assess and maintain the appropriate levels.

26. Related Party Transactions

	2024	2023
Key Management Compensation	£ 000	£ 000
Salaries and Other Short-term Employee Benefits	2,175	2,034
Other Long-term Benefits	26	25
Share-based Payments	1,971	1,463
	4,172	3,522

Some Key Management Personnel use the Group's services on commercial terms which are consistent with the standard terms and conditions as available on the website.

Related Party - PensionBee Trustees Limited

The following related party transactions were between the PensionBee Limited and PensionBee Trustees Limited before the acquisition of PensionBee Trustees Limited by PensionBee Group plc on 27 November 2024:

- (i) Payment of the PensionBee Trustees Limited bank fees on a quarterly basis. During this period bank fees amounted to £132,000 (2023: £104,000). There was no outstanding balance at year end (2023: £nil).
- (ii) Payment of the PensionBee Trustees Limited's Data Protection fee on an annual basis. During this period, payments amounted to £35 (2023: £35). There was no outstanding balance at year end (2023: £nil).

Transactions with Directors

During the year ended 31 December 2024, there were no transactions with Directors (2023: none). As at the year ended 31 December 2024, there was no outstanding balance with Directors (2023: £nil).

Some Directors use the Group's services on commercial terms which are consistent with the standard terms and conditions as available on the website.

27. Events After the Reporting Period

There were no events of material impact to the financial statements that occurred after the reporting date.

28. Alternative Performance Measures

The Group uses an alternative performance measure ('APM') which is not defined or specified by IFRS. The APM is Adjusted EBITDA, which is the Operating Profit/(Loss) for the year before Taxation, Finance Costs, Depreciation and Amortisation Expense, Share-based Payments and Expansion Costs. The Directors use this APM and a combination of IFRS measures when reviewing the performance and position of the Group and believe that these measures provide useful information with respect to the Group's business and operations. The Directors consider that this APM illustrates the underlying performance of the business by excluding items considered by management not to be reflective of the underlying trading operations of the Group.

The APMs used by the Group are defined below and reconciled to the related IFRS financial measures:

Adjusted EBITDA

Adjusted EBITDA represents the Operating Profit/(Loss) for the year before Taxation, Finance Costs, Finance Income, Depreciation and Amortisation, Share-based Payments and Expansion Costs.

The Adjusted EBITDA for the Group:

	2024	2023
	£ 000	£ 000
Operating Profit/(Loss)	(3,223)	(10,689)
Depreciation and Amortisation Expense	289	288
Share-based Payments ¹	3,150	2,182
Expansion Costs ²	222	-
Adjusted EBITDA	438	(8,219)

Notes:

1. Relates to total annual charge in relation to Share-based Payments as detailed in Note 24.
2. Relates to one-off expenses incurred in relation to expansion into the United States.

PensionBee Trustees Limited is a non-operational company domiciled in the United Kingdom.

The Adjusted EBITDA for PensionBee UK (PensionBee Group plc and PensionBee Limited):

	2024	2023
	£ 000	£ 000
Operating Profit/(Loss) ¹	(1,050)	(10,689)
Depreciation and Amortisation Expense	286	288
Share-based Payments ²	3,067	2,182
Expansion Costs ³	54	-
UK Adjusted EBITDA	2,357	(8,219)

Notes:

1. Operating Profit/(Loss) includes income generated from the provision of services from PensionBee Limited to PensionBee Inc. amounting to £1,196,000 (2023: £nil). All inter-company transactions are on an arm's length basis.
2. Relates to annual charge in relation to Share-based Payments as detailed in Note 24.
3. Relates to one-off expenses incurred in relation to expansion into the United States.

The Adjusted EBITDA for PensionBee US (PensionBee Inc.):

	2024	2023
	£ 000	£ 000
Operating Profit/(Loss) ¹	(2,181)	-
Depreciation and Amortisation Expense	3	-
Share-based Payments ²	83	-
Expansion Costs ³	168	-
US Adjusted EBITDA	(1,927)	-

Notes:

1. Operating Profit/(Loss) includes expenses incurred from the provision of services from PensionBee Limited to PensionBee Inc. amounting to £1,204,000 (2023: £nil). All inter-company transactions are on an arm's length basis.
2. Relates to annual charge in relation to Share-based Payments expense as detailed in Note 24.
3. Relates to one-off expenses incurred in relation to expansion into the United States of America.

07 Company Financial Statements

Statement of Financial Position

As at 31 December 2024

		2024	2023
	Note	£ 000	£ 000
Assets			
Non-current Assets			
Investment in Subsidiaries	3	364,396	359,253
Current Assets			
Other Receivables	4	8	9
Cash and Cash Equivalents		19,451	2,556
		19,459	2,565
Total Assets		383,855	361,818
Equity and Liabilities			
Equity			
Share Capital	8	236	224
Share Premium	9	72,445	53,218
Share-based Payment Reserve	9	10,554	7,404
Retained Earnings	9	299,925	300,719
Total Equity		383,160	361,565
Current Liabilities			
Trade and Other Payables	5	695	253
Total Liabilities		383,855	361,818
The Company Loss for the period is £793,000			

The notes on pages 166 to 170 form an integral part of these financial statements.

Approved by the Board on 12 March 2025 and signed on its behalf by:



Christoph J. Martin
Chief Financial Officer

Company No. 13172844

Statement of Changes in Equity

For the year ended 31 December 2024

		Share Capital	Share Premium	Share-based Payment Reserve	Retained Earnings	Total
	Note	£ 000	£ 000	£ 000	£ 000	£ 000
At 1 January 2023		223	53,218	5,222	301,605	360,268
Total Comprehensive Profit/(Loss)		-	-	-	(885)	(885)
Share-based Payment Transactions		-	-	2,182	-	2,182
Exercise of Share Options	8	1	-	-	(1)	-
At 31 December 2023		224	53,218	7,404	300,719	361,565
At 1 January 2024		224	53,218	7,404	300,719	361,565
Total Comprehensive Profit/(Loss)		-	-	-	(793)	(793)
Share-based Payment Transactions		-	-	3,150	-	3,150
Issue of Share Capital	8	11	19,989	-	-	20,000
Transaction Costs on Issue of Share Capital	8	-	(762)	-	-	(762)
Exercise of Share Options	8	1	-	-	(1)	-
At 31 December 2024		236	72,445	10,554	299,925	383,160

The notes on pages 166 to 170 form an integral part of these financial statements.

08 Notes to the Company Financial Statements

For the year ended 31 December 2024

1. Accounting Policies

Statement of Compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Summary of Significant Accounting Policies and Key Accounting Estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of Preparation

These financial statements have been prepared using the historical cost convention.

The financial statements are presented in GBP and all values are rounded to the nearest thousand (£'000), except when otherwise indicated. The functional currency of the Company is GBP because it is the primary currency in the economic environment in which the Company operates.

The Company has taken advantage of the exemption in section 408 of the Companies Act from presenting its individual profit and loss account.

Judgements and Key Sources of Estimation Uncertainty

In applying the Company's accounting policies, the Directors are required to make judgements that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The Directors have considered the following key sources of estimation uncertainty at the Statement of Financial Position date which have a significant effect on the amounts recognised in the financial statements.

Assessment as to whether the investments in subsidiaries are impaired

The recoverable amount is the subsidiary's discounted cash flow value. The determination of the recoverable amount of the investment in subsidiaries depends on certain assumptions, which include selection of the discount rate, projection period and projection of future cash flows. The discount rate is each subsidiary's Weighted Average Cost of Capital ('WACC'). This was set by reference to comparable companies' WACC and adjusting it for the subsidiary's risk profile. Significant assumptions are required to be made when selecting comparable companies and determining the subsidiary's risk profile adjustment.

Future cash flow projections significantly rely on revenue projections which are inherently uncertain due to their sensitivity to changes in market conditions and revenue growth rate. Significant assumptions are required to be made when setting the revenue growth rate which takes into consideration perceived changes in market conditions and customer behaviour. Further information on the investment in the subsidiary's recoverable amount and the sensitivity of the recoverable amount to changes in unobservable inputs are provided in Note 3.

Summary of Disclosure Exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102:

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 33 Related Party Disclosures paragraph 33.7;
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- The exemption under Section 408 of the Companies Act 2006 from presenting a standalone profit and loss account, as the Company's results are included in the Consolidated financial statements of the Group. The Company's profit or loss for the financial year is disclosed in the Statement of Financial Position.

Going Concern

The Directors have a reasonable expectation that the Company has adequate financial resources to continue in operational existence for the foreseeable future and are satisfied that the Company can continue to meet its liabilities as they fall due for at least

12 months from the date of approval of these financial statements. This assessment is supported by the Company's strong group cash reserves and projected profitable growth in its established operating subsidiary in the UK business.

The Company's investments consist of two subsidiaries: the established operating entity in the UK growing profitable and a newly formed US subsidiary currently in its investment phase. A conservative approach was adopted for this assessment, focusing on the established subsidiary's operational viability. The costs associated with the US subsidiary have prudently been entirely removed from the resources available to the Group. The UK subsidiary has achieved adjusted EBITDA profitability and is positioned to fund its own future profitable growth.

The established subsidiary has been operationally resilient as proven by consistent operational efficiencies that have been maintained during the financial year. Stress testing was done by considering severe and unlikely but possible scenarios including a sharp decline in equity markets, the worsening of conversion and lower transferred-in pension pot sizes, all of which could potentially be caused by the geopolitical and macroeconomic environment, increased cost of living in the UK and the US and interest rate rises. The Company's strong financial position, including the recent capital raise and the UK business's profitability, provides resilience against such macroeconomic downturns.

The Directors have concluded that the Company has sufficient financial resources to remain in operational existence, even considering potential macroeconomic downturns. Therefore, the Directors have adopted the going concern basis of preparation for these financial statements.

Foreign Currency Transactions and Balances

The Company applies IAS 21, The Effects of Changes in Foreign Exchange Rates. Transactions in foreign currencies are translated into GBP at the exchange rate on the date of the transaction. Foreign currency monetary balances are translated into Sterling at the period end exchange rates. Exchange gains and losses on such balances are taken to the Statement of Comprehensive Income and recognised in the currency translation reserve in equity. Non-monetary foreign currency balances are translated at historical transaction-date exchange rates.

Taxation

There was no current or deferred tax charge for the year (2023: £nil). Tax is recognised in the Statement of Comprehensive Income except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the United Kingdom where the Company operates and generates taxable income.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes liabilities where appropriate.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Investments

Investment in subsidiaries is recognised at cost and an annual impairment review is undertaken.

Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and short term highly liquid deposits with a maturity of less than three months.

Trade Receivables

Trade and other receivables are recognised initially at the transaction price less attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade receivables.

Trade Payables

Trade and other payables are recognised initially at transaction price plus attributable transaction costs. Subsequently they are measured at amortised cost using the effective interest method.

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Impairment of Non-Financial Assets

The Group assesses at each reporting date, whether there is an indication that an asset may be impaired. If any such indication exists, the recoverable amount of the asset is estimated based on future cashflows with a suitable range of discount rates and the expectations of future performance. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Impairment loss is recognised in the Statement of Comprehensive Income.

Share Capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Share-based Payments

The financial effect of awards by the Parent Company of equity-settled awards (principally, options over its equity shares) to the employees of the subsidiary undertakings are recognised as capital contributions by the Parent Company in its individual financial statements. In particular, the Parent Company records an increase in its investment in subsidiaries with a credit to equity equivalent to the expense for the equity-settled award recognised in the Group for such awards. There are no recharges to the subsidiary undertakings for such awards.

2. Staff Numbers

The Company does not have employees.

3. Investments

Summary of Company Investments:

	2024	2023
	£ 000	£ 000
As at 1 January	359,253	357,071
Additions	5,143	2,182
As at 31 December	364,396	359,253

On 21 March 2024, PensionBee Group plc incorporated a new wholly owned subsidiary PensionBee Inc. in Delaware, USA with operational headquarters in New York. The incorporation of this subsidiary is part of the Group's strategic initiative to expand its operations in the North American market.

On 27 November 2024, PensionBee Group plc wholly acquired PensionBee Trustees Limited at book value of £1. The subsidiary is non-operational.

Subsidiary undertakings

<i>Name of Subsidiary</i>	<i>Principal activity</i>	<i>Registered office</i>	<i>Proportion of ownership interest and voting rights held</i>
PensionBee Limited	Retirement savings provider	209 Blackfriars Road SE1 8NL	100%
PensionBee Inc.	Retirement savings provider	85 Broad Street, New York NY 10004	100%
PensionBee Trustees Limited	Trustee to PensionBee Personal Pension Trust	209 Blackfriars Road SE1 8NL	100%

Impairment of Investment in Subsidiary

At each reporting period, the investment in the subsidiary is assessed for impairment. Management has determined the recoverable amount of the investment in the subsidiary by reference to the subsidiary's discounted forecast cash flows. Key assumptions in this assessment include consideration of growth rates which drive revenue and costs, expected changes to future costs and the discount rate.

With regards to PensionBee Ltd, a projection period of thirteen years was considered appropriate due to the high growth phase of the subsidiary. The projection period was split into medium term (year 2-5) and long term (year 6-13) growth phase whereby the growth trajectory declines over that forecasting period. PensionBee's short term projections are based on the most recent Board approved financial information for the subsidiary. PensionBee's medium to long term projections are supported by its high customer retention rate, young customer base in pension accumulating assets, strong brand awareness and effective marketing acquisition capabilities as well as the scalability of the cost base. The long term growth rate used was 1.8%. The Weighted Average Cost of Capital ('WACC') used for discounting the forecast cash flows was 14%, which was benchmarked against comparable companies. The recoverable amount is higher than the carrying amount therefore no impairment was identified.

With regards to PensionBee Inc., a similar discounted cashflow exercise has been conducted and concluded that the recoverable amount is higher than the carrying amount therefore no impairment was identified.

4. Other Receivables

	2024	2023
	£ 000	£ 000
Other Receivables	8	9
	8	9

5. Trade and Other Payables

	2024	2023
	£ 000	£ 000
Trade Payables	-	69
Accrued Expenses	115	83
Amounts due to Subsidiary	580	101
	695	253

6. Deferred Taxation

Deferred tax assets have not been recognised in respect of tax losses as there is insufficient evidence of recoverability in the near future. The Company has tax losses of £3,118,000 (2023: £2,234,000) that are indefinitely available against future taxable profits of the Company for which no deferred tax has been provided.

7. Share-based Payments

Full disclosure of PensionBee's share option scheme is given in Note 24. The disclosures required in relation to Directors' emoluments and share option plans are given in Note 7.

8. Share Capital

Allotted, Called Up and Fully Paid Shares

	2024		2023	
	No. 000	£ 000	No. 000	£ 000
At 1 January	223,963	224	222,862	223
Shares issued	12,159	12	1,101	1
At 31 December	236,122	236	223,963	224

During the year, PensionBee Group plc issued ordinary shares, to satisfy the exercise of share options totalling 1,348,265 ordinary shares (2023: 1,100,706) of £0.001 each. The exercise price for each exercised share option was £0.001 (2023: £0.001).

On 28 October 2024, PensionBee Group plc issued 10,810,811 ordinary shares of £0.001 each to raise capital. Each share was issued at £1.85. Transaction costs incurred and directly attributable to the issuance of these shares amounted to £762,000. These costs were recognised as a reduction to the share premium.

Each ordinary share carries one vote per share and ranks pari passu with respect to dividends and capital.

9. Reserves

Share Premium

The share premium account represents the excess of the issue price over the par value on shares issued, less transaction costs arising on the issue.

Share-based Payment Reserve

The Share-based Payment Reserve represents the cumulative expense in relation to share options granted to subsidiary employees.

Retained Earnings

The balance in the retained earnings account represents the distributable reserves of the standalone company, PensionBee Group plc.

10. Events After the Reporting Period

There were no events of material impact to the financial statements that occurred after the reporting date.

Other Information



01 Glossary of Terms

Commonly Used Terms	
Adjusted EBITDA	Adjusted EBITDA is the operating profit or loss for the year before Taxation, Finance Costs, Depreciation and Amortisation, Share-based payments and Expansion Costs.
Adjusted EBITDA Margin	Adjusted EBITDA Margin means Adjusted EBITDA as a percentage of revenue for the relevant year.
AGM	Annual General Meeting
AI	Artificial Intelligence
APM	Alternative Performance Measure
AUA	Assets under Administration. This is the total invested value of pension assets within PensionBee's Invested Customers' pensions
AUA Retention Rate	Assets under Administration Retention Rate. Measures the percentage of retained PensionBee AUA from transfers out over the average of the year.
BeeKeeper	A PensionBee dedicated customer account manager
Board, Directors	The Board of Directors of PensionBee Group plc
bps	Basis points
CASS	Client Assets Sourcebook
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CODM	Chief Operating Decision Maker
Company	PensionBee Group plc
Consumer Duty	FCA's Consumer Duty
CPIC	Cost per Invested Customer. This means the cumulative advertising and marketing costs incurred since PensionBee commenced operations up until the relevant point in time divided by the cumulative number of Invested Customers at that point in time.
CTO	Chief Technology Officer
Customer Retention Rate	Customer Retention Rate measures the percentage of retained PensionBee Invested Customers over the average of the year.
DB	Defined Benefit
DC	Defined Contribution
DSB Award	Deferred Share Bonus Award (part of the Omnibus Plan)
DTR	Disclosure Guidance and Transparency Rules
DWP	Department of Work and Pensions
EBITDA	Earnings before Interest, Taxation, Depreciation and Amortisation
EPS	Earnings per Share
ESG	Environmental, Social and Governance
ETF	Exchange Traded Fund
FCA	Financial Conduct Authority
FRC	Financial Reporting Council

FTSE	Financial Times Stock Exchange
FTE	Full Time Equivalent
GAA	Governance Advisory Arrangement
GHG	Greenhouse Gas
Group	PensionBee Group plc and its subsidiary entity PensionBee Limited
HMRC	His Majesty's Revenue and Customs
IAS	International Accounting Standards
IC	Invested Customers. Means those customers who have transferred pension assets or made contributions into one of PensionBee's investment plans.
ICO	Information Commissioner's Office
IFRS	International Financial Reporting Standards
IPO	Initial Public Offering
IRA	Individual Retirement Account
ISC	Information Security Committee
ISMS	Information Security Management System
IT	Information Technology
KPI	Key Performance Indicator
LSE	London Stock Exchange
NAS	Non-Audit Services Policy
Net Flows	Net Flows measures the cumulative inflow of PensionBee AUA from consolidation and contribution, less the outflows from withdrawals and transfers out over the relevant period
NPS	Net Promoter Score
Omnibus Plan	2021 PensionBee Group plc Omnibus Plan
ONS	Office for National Statistics
PAB	Paris Aligned Benchmark
PBT	Profit/(Loss) before Tax. This is a measure that looks at PensionBee's profit or losses for the year before it has paid corporate income tax.
PIE	Public Interest Entity
plc	Public Limited Company
REGO	Renewable Energy Guarantees of Origin
Revenue	Revenue means the income generated from the asset base of PensionBee's customers, essentially annual management fees charged on the AUA, together with a minor revenue contribution from other services.
Revenue Margin	Revenue Margin. Expresses the recurring Revenue over the average quarterly AUA held in PensionBee's investment plans over the period.
Roth IRA	Roth Individual Retirement Account
RSG	Risk Stakeholder Group
RSP Award	Restricted Share Plan Award (part of the Omnibus Plan)
S&P	Standard & Poor's

Safe Harbor IRA	Safe Harbor Individual Retirement Account
SASB	Sustainability Accounting Standards Board
SEC	Securities and Exchange Commission
SID	Senior Independent Director
SIPP	Self-Invested Personal Pension
SECR	Streamlined Energy and Carbon Reporting
TCFD	Task Force on Climate-related Financial Disclosures
TPR	The Pensions Regulator
UK	United Kingdom
UN Global Compact	United Nations Global Compact
US	United States of America
WACI	Weighted Average Carbon Intensity
WDI	Workforce Disclosure Initiative

02 Directors, Company Secretary and Shareholder Information

PensionBee Executive Directors	Romi Savova (Chief Executive Officer) Jonathan Lister Parsons (Chief Technology Officer) Christoph J. Martin (Chief Financial Officer)
PensionBee Non-Executive Directors	Mark Wood CBE (Non-Executive Chair) Mary Francis CBE (Senior Independent Director) Michelle Cracknell CBE (Independent Non-Executive Director) Lara Oyesanya FRSA (Independent Non-Executive Director)
Company Secretary	Michael Tavener
Registered Number	13172844
Registered Office	PensionBee Group plc 209 Blackfriars Road London SE1 8NL United Kingdom
Auditor	Deloitte LLP 4 Brindley Place Birmingham B1 2HZ United Kingdom
Website	pensionbee.com