



Press Release

PR/41/09

21 September 2009

Under strict embargo until 00:01 on 21 September 2009

STANDARD LIFE FIRST SCOTTISH COMPANY TO RECEIVE AWARD FOR COMMITMENT TO EMPLOYEES' RETIREMENT SAVINGS

Standard Life has become the first company in Scotland, and one of the first in the UK, to be awarded the prestigious new Pensions Quality Mark, launched today by the National Association of Pension Funds (NAPF).

The Pension Quality Mark will help employers demonstrate the value of their defined contribution (DC) pension scheme and, by making workplace pensions more understandable and attractive, encourage more employees to join.

Brian Beveridge, Group Pensions Manager at Standard Life will be presented with the award in London later today by Angela Eagle MP, Minister of State for Pensions and the Ageing Society. To have received the award Standard Life's pension scheme has met the key qualifying criteria on contribution rates, governance and communications. The other companies in the first wave to be awarded the Pension Quality Mark are Accenture, BG Group, IBM, Kellogg's, Marks & Spencer and The Royal College of Physicians.

The Pension Quality Mark will help employers attract new staff and get more employees to join their pension scheme, NAPF research shows. More than three quarters (76%) of Scotland's employees looking for a new job said that a Pension Quality Mark would make them look more favourably on a potential employer, while over half of employees (57%) said that an independent quality mark awarded to their employer's scheme would make it more likely that they would join.

Joanne Segars, NAPF Chief Executive, said:

“We are delighted that Standard Life has been awarded the Pension Quality Mark as it shows their level of commitment to helping their staff save for retirement. It will also help them to attract and retain high calibre employees and benchmark their scheme against their competitors.”

“The Pension Quality Mark is an exciting new initiative which will benefit both Scotland’s employers and employees as well as helping to rebuild and promote public confidence in workplace pensions. I urge more Scottish employers to apply so that they can tell the story of their good quality schemes with confidence.”

Brian Beveridge, Staff Pensions Manager, Standard Life said:

"Standard Life prides itself on rewarding its employees with an attractive benefits package. I am delighted that our pensions scheme has been recognised by NAPF as this highlights our commitment to our employees' retirement savings. As Standard Life is one of the largest DC providers in the UK, it is fitting that our own scheme is up to the mark."

ENDS

Notes to Editors

1. The Pension Quality Mark was launched in London on 21st September 2009 at the Atrium in Westminster.
2. Further information about the Pension Quality Mark can be found at www.pensionqualitymark.org.uk
3. For print quality high-res JPEG's of the Pension Quality Mark logo or photographs from the launch, please contact the NAPF press office
4. The NAPF is the leading voice of workplace pensions in the UK. We speak for 1,200 pension schemes with some 15 million members and assets of around £800 billion. NAPF members also include over 400 businesses providing essential services to the pensions sector.
5. The Pension Quality Mark is owned and operated by Pension Quality Mark Limited, a not-for-profit organisation which is a wholly owned subsidiary of the National Association of Pension Funds Limited. The PQM Board sets the standards and the PQM Executive administers the application and compliance process. There is also an independent PQM Advisory Panel of senior consumer, employer and industry experts. It advises the Board on the development of the PQM and acts as an independent appeals panel in respect of complex applications.
6. Research on the views of employees was carried out by TNS among 1,305 GB full and part-time employees aged 16 - 64 between 11th and 17th August 2009.
7. Journalists requiring further information, please contact:-

Mark Brooks 020 7601 1717 mark.brooks@napf.co.uk 07917 506683

Ruth Wharram 020 7601 1718 ruth.wharram@napf.co.uk 07825 17144

PQM Background

Pension Quality Mark Standards

The Pension Quality Mark and Pension Quality Mark PLUS is available to any employer whose DC pension scheme (whether occupational DC schemes, group personal pensions, group stakeholder pensions and, from 2012, Personal Accounts) meets three basic criteria on contribution rates, governance and communications:

1. **Contributions:** contributions of 10% must be available, with at least 6% (double the 2012 statutory minimum) paid by the employer. If contributions are 15%, with at least 10% from the employer, then schemes can apply for a Pension Quality Mark PLUS. The Standard takes account of different contribution formulas, e.g. fixed, matching, age and service-related.
2. **Governance:** governance arrangements must be in place to ensure that the scheme is operating in the best interests of members. This can take a variety of forms including trust boards, management committees and an annual scheme review.
3. **Communications:** the scheme must provide clear and simple information to members when they join the scheme and thereafter.

Employee research

Research conducted by the NAPF shows that over half (57%) of Scotland's employees said an independent quality mark awarded to their employer's pension scheme would make it more likely that they would join that scheme.

61% of Scottish employees said that an independent quality mark for the pension scheme at work would improve their view of their employer.

Over three-quarters (76%) of Scottish employees said that if they were looking for a new job, they would feel more favourable towards a potential employer if their pension scheme had an independent quality mark.

How to apply

Applications can be received from employers, scheme managers, trustees or the scheme secretary or advisers on behalf of schemes.

There is a one-off assessment fee of £250 and an annual licence fee of £250 for smaller schemes (those with under 500 members) and £500 for larger schemes (those with over 500 members).

Further details can be found at www.pensionqualitymark.org.uk or by e-mailing info@pensionqualitymark.org.uk.

Endorsement Quotes

The scheme has been warmly welcomed by the pensions industry, employer and employee bodies, consumer organisations and the Pensions Regulator.

Lynn Collins, Head of Corporate Pensions, Marks & Spencer said:

“We are delighted to have been awarded the Pensions Quality Mark. It will give us an edge over our competitors and makes sound business sense. We always try to be competitive and offer great benefits and this pension scheme is a good example of our approach to reward”.

Tony Hobman, Chief Executive at the Pensions Regulator, said:

"With volatile markets and a changing pensions landscape it is more important than ever at this time to ensure that standards in pension scheme management continue to improve. We encourage any initiative by the pension industry that pushes the quality of pensions and encourages higher standards of governance and member communications."

Doug Taylor, Personal Finance Campaigns Manager at Which? said:

“By providing a benchmark, the Pension Quality Mark can help people judge the quality of the pension scheme offered and companies will be able to easily promote that aspect of their employment package.”

Kay Carberry – TUC

“The PQM is an important step in helping workers understand pensions and make informed decisions about saving.”

Andrew Harrop - Head of Public Policy at Age Concern and Help the Aged

“We welcome the launch of the Pension Quality Mark especially as it recognises the need for employers to give clear information and support to their pension scheme members as they approach retirement.”

Charles Cotton - CIPD

“For those working in human resources, the PQM will play an important role in helping to promote their organisation’s reward package to both current and new staff.”

Malcolm Small - Senior Adviser, Pensions Policy, Institute of Directors

“The Institute of Directors welcomes the PQM initiative. Employers and employees need to work together on tackling the retirement income challenges we all face, and on improving communication of scheme benefits. The focus of PQM in both these areas marks an important step forward in preserving and enhancing good quality workplace pension provision.”

Joy Moore - Head of Pensions, RWE Npower plc

“The PQM is a significant step forward in meeting the challenge of rebuilding confidence in workplace pensions.”