



PENSION COMMITTEE

**Autumn 2016
Update**



For internal use only



Note from the Committee

The world of pensions is going through a period of significant change and the Aberdeen Employee Pension Consultation Committee is working hard behind the scenes to ensure you have access to a first class scheme. On the following pages is a brief overview of some of the activity currently taking shape.

Aberdeen has won Best Pensions Strategy of the Year award at this year's Workplace Savings & Benefits Awards. These awards aim to recognise the employers which have the best benefits teams and offerings to staff and have done the most to improve these over the past 12 months. In addition, the awards look to reward the best pension and benefit providers - recognising those that have done the most to help employers and their staff over the past year.

Aberdeen beat stiff competition from InterContinental Hotels Group, John Wiley & Sons, Merlin Entertainments and Roche UK to win the award. The judges took into consideration issues such as how the challenge of pensions is tackled, what changes have been made in response to the pensions flexibilities, the investment options available and how the company educates colleagues on the scheme.



WINNER

Best Pensions Strategy
of the Year



Lunch and Learn



"In July the Pension Consultation Committee was on hand to let you know what it is doing to help you and your pension"

A Thank you to everyone who attended and for your feedback.

A As a result of feedback we have asked Aegon to make quarterly fund fact sheets more easily available (see page 6).

Lemonade services

You don't have to wait for a meeting to switch funds.

[CLICK HERE](#) for the alteration-of-fund-choice form

SUMMER
2016



AUTUMN = PENSION ROADSHOWS



"Our advisers at Lemonade are on hand to help you maximise your pension options"

[CLICK HERE](#) to see the invitation to Lemonade's pension roadshows



Individual advice meetings are available each Autumn.

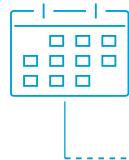
This can help you:

- Select funds
- See if you are on track
- Keep within the Annual and Lifetime Allowances.

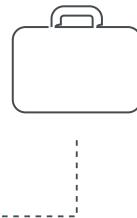


- [CLICK HERE](#) - to see the scope of Lemonade's services.

Pension allowance changes



Announced in July 2015
Emergency Budget



**Effective from
April 2016**



"Higher earners have their tax relief limited
from April 2016"



Lemonade has created a bespoke website to help you understand what
has changed and what actions you can consider if you are affected.

- CLICK HERE -

Pension charges



"Aberdeen rebates most of the pension charges to make sure every penny possible is invested in your fund"



Aegon's charge is rebated to your policy once per annum.



Aberdeen funds are discounted.

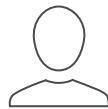
The detail is a little complicated so please [CLICK HERE](#) to see an explanation of the charges and rebates.

Pension fund quarterly factsheets

JULY Lunch &
Learn sessions 2016



Q4



"In the Lunch & Learn sessions colleagues asked for factsheets to be easier to find and regularly updated"



Aegon has committed to produce quarterly fact sheets for all of the Aberdeen pension funds available to you.



Once available, we'll let you know how to access them.



The Committee uses a traffic light signal to monitor the performance of the Aberdeen pension funds against their respective medians. In the last quarterly review:-



63% of funds
were more than 1% above
their median



31% of funds
were within 1% of
their median



6%, representing one fund,
was more than 1% below
its median

The above performance is only for the three month period to 30th June 2016.

Performance is monitored over 3 months, 1 year and 3 year periods.

Three of the Aberdeen pension funds do not have a median on Lipper.

Fund profiles

You are free to switch funds at any time.

[CLICK HERE](#) for the alteration-of-fund-choice form



Estimated delivery from Spring 2017



"The launch of the new pension fund profiles has been delayed while we waited for FCA approval"



FCA approval has now been granted and the changes to some existing funds will be effective from 1st November 2016.



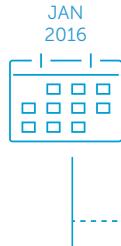
FCA approval was required before Aegon could begin the process of adding the new fund profiles to the Aberdeen pension scheme.



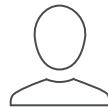
In 2017 Lemonade will explain which of the five profiles may best suit your appetite for risk, and be on hand to help should you wish to move to one of the new profiles.

Default fund review

If you invest in the current default fund, you will receive an email providing you with the opportunity to switch to the new default fund once it is available



**Estimated delivery
2017**



"New colleagues are automatically enrolled into a default fund when they join the pension"



The Pension Committee and Lemonade have recommended to Aberdeen a new default fund based on the Diversified Growth Fund.



The fund will 'lifestyle' to 25% cash from age 62 to 65.



[CLICK HERE](#) – for DGF fact sheet. This is for the underlying fund. Through the pension you have access to a z share class so you don't have to pay the standard 0.5% annual management charge.

The Committee Members

Did you know that many of your colleagues have volunteered their time to take part in the Pension Committee meetings and working groups?



Andrew Dickinson
Fixed Income



Sonja Tilly
Investment Solutions



Brian Thomson
HR
Chairman



Mike Turner
Investment Solutions



Judith Esson
HR



Dominic Delaforce
Distribution



Aron Mitchell
Finance



Martyn Gilbey
Distribution



Helen Webster
Product



Scott Dakers
Distribution



Gregg McClymont
Head of Retirement Savings



Richard Gale
Property



Stephen Andrews
Distribution



Rowan McNay
Finance



Paula Sutherland
Internal Communications Richard Patterson
Quantitative Investments



If you have any questions
please feel free to contact
any of the Committee
members

If you have any questions
about the administration
of your pension, please
email
aam@lemonadereward.com



Previous newsletters can be found here -

