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THE VIKINGS HAVE ARRIVED! (AND ARE SETTLING IN NICELY)
NOW: PENSIONS CELEBRATES ITS FIRST ANNIVERSARY

NOW: Pensions, the independent multi-employer trust backed by Danish pension scheme, ATP, today celebrates its first anniversary in the UK. The company entered the market with a mission to change the pension’s landscape in the UK by providing an option for auto-enrolment that is simple and transparent, ensures the optimum outcome for its members at a low cost and is easy to implement for employers.

A year on, NOW: Pensions has signed a number of employers, from large to small, the first staging date for auto-enrolment has passed, and auto-enrolment is a reality in the workplace.

NOW: Pensions believes that there are still a number of issues within the UK pensions industry which need to be addressed despite the successful launch of auto-enrolment.

Morten Nilsson, Chief Executive of NOW: Pensions, commented: “One year on from our official launch, auto-enrolment is now firmly a reality and reaction remains largely positive. But for auto-enrolment to work well in the long term, and deliver the pensions that UK employees deserve, we believe that there are further changes that need to be made.

“The recent report from the Pensions Institute, ‘Caveat Venditor’, highlighted the problem of the older, high-charging funds, which are still widely used by employers, and which could simply be used for auto-enrolment. We believe that all employers need to review their auto-enrolment solution in full, and ensure that it not only complies with the rules, but also offers good value to employees, giving them the best prospects for retirement provision. We believe that a pensions kite mark would help employers make the right choice of scheme.
“We also believe that, for employees, there is an advice gap under auto-enrolment, where they are passively enrolled into a pension and have no choice in their employer’s provider. However, the risk that they may not have adequate resources for their retirement lies firmly with them – not the employer. Many employees will benefit from basic financial education to ensure they understand the benefits of being enrolled into a pension and what this means for them, which is why we have set in place a member-education scheme, whereby we will work with IFAs and EBC’s to provide education for employees.

Morten Nilsson concluded: “ATP’s experience in Denmark proves that auto-enrolment can be a success and we remain committed to use our experience there, and work hard with the industry, to ensure that UK employees get the pension we believe that they should be entitled to.”

-ENDS-

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Notes for editors:

NOW: Pensions
NOW: Pensions is a multi-employer trust. The investments are managed by NOW: Pensions Investments, a subsidiary of ATP in Denmark, and the administration is carried out by Paymaster, an established UK third party administrator.

The NOW: Pension Trustee Directors, whose role is to safeguard the interests of members, comprises well-known industry figures with different areas of expertise:

- Nigel Waterson, former Shadow Pensions Minister
- Imelda Walsh, former Group HR Director of Sainsbury’s
- John Monks, member of House of Lords and former General Secretary of ETUC and TUC
- Christopher Daykin, former Government Actuary
- Lars Rohde, CEO of ATP Group
- Win Robbins, former Head of European Fixed Income at Barclays Global Investors

NOW: Pensions is committed to developing a better workplace pension provision in the UK by offering a simple, systematically risk managed, cost efficient and high performance pension product that delivers better retirement savings for UK employees. With over 45 years experience providing Denmark’s working population with stable and consistent pensions returns, NOW: Pensions is set to transfer the knowledge acquired in Denmark to the UK pension market. Charges are just £1.50 per month administration charge (reduced administration charge of £0.30 - £1.00 to be applied during
auto enrolment phasing for lower earners) plus a 0.3% annual product investment management charge, with no hidden charges.

The ATP Group
Arbejdsmarkedets Tillaegspension (ATP) / Danish Labour Market Supplementary Pension is a statutory pension fund. It was established as an independent entity in 1964 with the objective of ensuring a greater retirement income for the Danish population. ATP has since developed to become the largest pension fund in Denmark. Together with the tax-financed basic state pension, ATP provides basic income security in old age for the Danish population.

ATP covers almost the entire Danish population representing 4.7 million members and 160,000 employers. In addition to the ATP Scheme, the ATP Group administers a number of pension and social insurance schemes, including several for the Danish state.

The ATP Group total assets under management amounted to DKK 693 billion/approximately GBP 74bn (i.e. assets: DKK 611 billion/GBP 64.5 billion + reserves: DKK 82 billion/GBP 9bn) at 30 September 2012. ATP invests in a wide variety of assets globally. Investment categories are broadly: equities, interest rates, credit, inflation and commodities.