



The FairLife Foundation

Pension Funding Mark Summary

The FairLife Foundation (background)

The FairLife Charity is a fair trading initiative designed to benefit everyone in the UK by improving everyday financial products and educating the public.

The charity is applying the principle of fair trading to the banks and finance institutions of the British economy; awarding its trademark logo, the FairLife Mark, to products and services that meet defined criteria. The FairLife Mark is a mark of integrity. Providers self certify and agree to follow the spirit as well as the letter of the rules.

The mark will span all areas of finance, eventually forming an umbrella of trust known as the FairLife Family, and will ultimately help to highlight minimum standards of sound practice. The Mark will act as a beacon, helping to guide consumers, whilst allowing competition and customer choice to flourish.

Together with raising standards, the FairLife Charity is encouraging companies, including those outside financial services, to make commitments in areas such as pension funding, adult education and the treatment of vulnerable customers. The criteria of these different marks can be interlinked to deliver outcomes for the public that are otherwise hard to achieve.

There are three types of FairLife Mark:

- Product and Service Marks highlight where companies have signed up to help establish fair trading in finance at the product level.
- Commitment Marks highlight where companies have made an organisational-level commitment to improve peoples' lives financially.
- Guidance & Education Marks are awarded in recognition of educating or directing the public in the responsible management of their financial affairs.

The Pension Funding Mark is a Commitment Mark.

FairLife's Commitment Marks

FairLife's Commitment Marks highlight firms at the forefront of corporate social responsibility. They will ultimately span a range of issues important in today's society. Arguably the biggest of these is the private pension crisis and the prospect of millions of people retiring in relative poverty.

Pension Funding Mark



Good employers share the retirement burden equally



The FairLife Foundation



Pension Funding is the employees' responsibility but good employers share the retirement burden equally. The Pension Funding Mark is awarded in recognition of this.

FairLife is seeking to make the importance of pension funding understood by all sections of society and to make retirement planning a topic of conversation for people of all ages. As the nation's focus on pension funding increases, employees will start to understand how expensive it is to fund their retirement and to appreciate fully *any* assistance they receive from their employer.

Criteria for the FairLife Pension Funding Mark

Employers adopting the Pension Funding Mark are agreeing to a single key commitment:

- 1) Paying or offering to match pension contributions of up to 5% (gross) on all qualifying salary to all qualifying employees.

Notes and details

1. Employers use the same definitions and options as automatic enrolment in determining which employees qualify and what defines pensionable salary.
2. Employers are required to match employees' gross contributions (defined as the employees' net contribution and the tax relief).
3. The 5% limit is based on all pensionable salary from the first pound (not the reduced bracket of band-earnings chosen for Automatic enrolment).
4. Pension funding payments are required after three months of service in line with auto enrolment.
5. Employer pension contributions can be made up of flat payments and/or matching.
6. Matching arrangements must be pound-for-pound or better and employees must be made aware that they may have to contribute personally to receive this benefit.
7. Senior staff who request bespoke pension arrangements may be omitted from the calculation.
8. Where there are reasonable circumstances for a firm not meeting its pension funding commitment in a given year this may be accommodated without changing the Mark.
9. If an employer is uncertain whether their pension arrangements meet the 5% minimum threshold they can contact FairLife Limited for confirmation.



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Licence fees

Number of paid employees in the UK	Minimum Annual Licence fee
Up to 50	£1
Up to 100	£50
Up to 200	£100
Over 300	£200

The Mark is free to charities, not-for-profit organisations and holders of the Pension Quality Mark (the £1 fee is 'considered paid'). For commercial companies, the annual licence fees are designed to be a token amount which contributes to the running costs of the charity. It is hoped that firms may also make charitable donations to the FairLife Foundation as circumstances allow.

Licence fees will be invoiced by FairLife Limited following the award or renewal of a FairLife Mark. All donations will be gratefully received and acknowledged by the FairLife Foundation Limited.

Displaying the Mark and the FairLife Advert

The Pension Funding Mark may be displayed at the discretion of the employer on any relevant literature including pension statements, communications with employees, job adverts and marketing literature. Placing the Mark is only restricted if the employer sells financial products or services; the restrictions being only to avoid confusion.

Employers who wish to help establish FairLife as a fair trade mark for the finance industry are encouraged to display the FairLife Advert (shown in the top left hand corner of this document) where employees, customers and members of the public can view it.

Obtaining the Mark

This information and a licence agreement can be downloaded from the FairLife website under Commitment Marks / Pension Funding Mark.

Contact details

Contact details for FairLife Limited and the FairLife Foundation Limited:

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