

24 July 2006

SENIOR APPOINTMENT AT SCOTTISH FRIENDLY
Mr Jim Jack joins the Board as non-executive director

Mr Jim Jack has been appointed as a non-executive director of Scottish Friendly Assurance. A Chartered Accountant with many years of experience in the financial services industry, Mr Jack previously held a number of senior financial positions within the Prudential Group.

Mr Jack is currently Finance Director of *Living Time Limited*, which recently launched a first-of-its-kind retirement income plan that provides a flexible alternative to traditional annuity products.

The appointment is a further sign that Glasgow-based Scottish Friendly is making step changes in developing its business beyond that of a small, traditional friendly society.

Fiona McBain, chief executive of Scottish Friendly, said: "Jim will add tremendous value through his experience and business acumen in areas such as product development, business outsourcing and rationalisation.

These are key components of Scottish Friendly's ambitious and determined growth strategy and Jim will help us ensure that these are shaped in the best interests of our members."

Since becoming chief executive on 1 January this year, McBain has led a three-pronged strategy for Scottish Friendly based on securing new distribution deals, mergers and consolidation, and business process outsourcing with third parties.

Media enquiries:

Clare Meikle/Laura McGinness

3x1 Public Relations

Tel: 0141 221 0707

Notes to Editors:

- In June Scottish Friendly secured a major 'back office' deal from Nucleus Financial Group. The assurer will manage the logistics and technology support for the new venture. The win underlines the efficient and market leading technology of its back office.
- Scottish Friendly Assurance is a mutual organisation based in Glasgow and has roots stretching back to 1862. Today this proud heritage is complemented by a strong management team overseeing a team of 50.
- It is listed within the top 100 organisations in Scotland in Insider Magazine's Top 500 Scottish companies (*Jan 2006*), with income of £86.5 million
- At its AGM on 26 April 2006 Scottish Friendly reported record funds under management of £520 million
- It is the largest mutual life office headquartered in Scotland (following the demutualisation of Standard Life in summer 2006) with 375,000 members.