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Dear Colleague

Auto-enrolment – Pensions - NAECI Employees

Background

You may have seen the advertisements in the press and on television recently about changes that are being made to workplace pensions.

The idea behind these changes is to encourage more people to save for their retirement which the Government hopes to achieve by requiring employers to automatically enrol workers into a pension scheme if they are not already in one.

The conditions

Employers have to automatically enrol workers who satisfy certain conditions. These conditions are that you:

- are not already in a workplace pension scheme;
- are aged 22 or over;
- are under State Pension Age;
- earn more than £8,105 a year (this figure is expected to change each April and will increase to £9,440 in April 2013) and;
- work, or usually work, in the UK.

This requirement to auto-enrol workers will apply to Alstom from **May 2013**.

How does this affect me?

If you are working for Alstom in May and meet the above conditions, Alstom will need to make you a member of a pension plan from 2013. The pension plan selected for this purpose is operated by Welplan and is called Welplan Pensions. You and Alstom will both make contributions into Welplan Pensions.

If you are automatically enrolled as a member of Welplan Pensions and wish to opt out immediately or leave at a later date, then you can choose to do so.

If you do not meet the conditions, Alstom will not automatically make you a member of the Plan.

Since the Engineering Construction Industry Association (ECIA) has nominated Welplan Pensions as its preferred pension provider, other NAECI employers are likely to be using Welplan Pensions which will help you to build up a single pension irrespective of which NAECI employer you work for from time to time.

Over the next few months, full information will be provided on the Plan and how auto-enrolment affects you. The next communication is planned for the end of February and this will include an Introductory Guide to Welplan Pensions, details of contribution levels and a "Questions and Answers" document.

If you and Alstom are paying into the pension plan operated by Scottish Widows then from 1 May these contributions will be made instead to Welplan Pensions and the contribution rates will be different to those paid to Scottish Widows. The options available to you in respect of the Scottish Widows pension plan will be explained to you in the next communication in February.

Data Protection

In order to comply with the auto enrolment regulations and ensure fair processing under the Data Protection Act, the Company wishes to advise you that it is necessary for the Company to share your personal data with Welplan Limited. This will enable Welplan to enrol you as a member of Welplan Pensions. If you have any queries about this please contact the Alstom pensions department on the number or email address below.

So what should I do?

Whether you wish to join Welplan Pensions or not, there is no need for any action on your part at present. However, if you have any questions please contact the Alstom pensions department on 01788 557400 or alstom.ukpensions@chq.alstom.com

Yours sincerely



Louise Mills
Pensions Manager