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Dear employee

Auto-enrolment – Pensions

You will recall that I wrote to you in January explaining the changes being made to workplace pensions and how these changes may affect you.

The conditions

As a reminder, Alstom has to automatically enrol workers not currently in a pension scheme if they 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 £9,440 a year (this figure is expected to change each April) and;
- work, or usually work, in the UK.

ALSTOM Ltd Group Personal Pension Plan

If you meet the above conditions then you will be automatically enrolled as a member of the ALSTOM Ltd Group Personal Pension Plan (“the Plan”) with Aviva from 1 May 2013. The enclosed pack provides more details of the Plan and highlights the life assurance benefits and income replacement benefits that will be made available to you as a member of the Plan.

Upon joining you will automatically be enrolled into the Plan on the default basis. This means:

- You will pay pension contributions at the rate of 3% of Pensionable Earnings with the Company contributing 5%. If you want to change the level of your pension contributions then you need to complete the “**Form to change from the default basis on joining**” and return this to the Alstom Pensions Department using the free post envelope provided by 31 March 2013. After this time you will only be able to change your ordinary contribution rate once a year in April;
- Your pension contributions will be paid through the Company’s Salary Sacrifice for Pension Contributions Scheme. A guide on how Salary Sacrifice works is enclosed. If you do not want to pay contributions in this way, you will need to tick the relevant box on the “**Form to change from the default basis on joining**” and return it the Alstom Pensions Department in the free post envelope provided by 31 March 2013;

- Contributions will be invested in the Alstom Mixed Investment Lifestage Approach with a target retirement age of 65. Further details can be found in your pack. If you wish to change your investments and /or target retirement age, then you will need to contact Aviva once your account has received its first contribution and Aviva have sent you your policy documents.

Life assurance and Income Replacement Scheme

If you are automatically enrolled into the Plan you will also be enrolled in the ALSTOM Ltd Group Life Assurance Scheme (GLAS) and, provided that you are actively at work on 1 May, the ALSTOM Ltd Income Replacement Scheme (IRS). These schemes, which are not part of the Alstom GPP, provide valuable death in service and sickness cover respectively.

To help the Trustee of the Alstom Ltd GLAS determine who should receive the lump sum benefit in the event of your death in service you are required to complete the enclosed Expression of Wish form and return this to the Alstom Pensions Department in the free post envelope provided.

You should also note that in the event of your death before retirement the value of your individual account in the Plan will also be paid to your beneficiaries. Aviva are the Trustees of the Plan and will be responsible for deciding who should receive these benefits on death. Aviva will send you a separate expression of wish form with your policy documents for this benefit and you will be required to return this directly to them.

Any questions?

Also enclosed with this letter is a set of Questions and Answers that have been put together to address any questions you might have about auto-enrolment.

So what should you do?

If you meet the above conditions, you will automatically be enrolled into the Plan. We will write to you shortly after 1 May to confirm whether or not you have been automatically enrolled into the Plan.

If you are automatically enrolled into the Plan, you will receive policy documents from Aviva confirming your membership. If you do not wish to join the Plan, then you will need to take the action as described in the Questions and Answers leaflet.

Contact details

If you have any questions that are not covered by the Questions and Answers document or the other enclosures then please contact the Alstom pensions department by telephone on 01788 557400 or by email at Alstom.ukpensions@chq.alstom.com

Yours sincerely



Louise Mills
Pensions Manager

**Auto enrolment into the
ALSTOM Ltd Group Personal Pension Plan (“the Plan”)**

Questions & Answers

Q1 What is Auto Enrolment?

Auto Enrolment is the new pension legislation, which requires employers to automatically enrol certain employees into a workplace pension scheme. This legislation applies to Alstom from 1 May 2013.

Q2 Will I be auto enrolled into the Plan on 1 May 2013?

You will be auto enrolled if you are not currently in a workplace pension scheme and:

- Are aged 22 or over;
- Are under State Pension Age;
- Earn more than £9,440 per annum;
- Work, or usually work, in the UK

If you don't meet the conditions above you will not be auto enrolled but you will be able to join the Plan if you want to do so. We will let you know how to do this after 1 May.

Q3 If I do not want to be a member of the Plan, can I ask not to be auto-enrolled?

No, Alstom have a legal obligation to auto enrol you if you meet the conditions set out above. However, you will have the option to opt out, see below.

Q4 Can I opt out of the Plan?

Yes. Aviva will send you policy documents shortly after 1 May 2013, including instructions on how to opt out. You will be able to opt out at that time online or by calling Aviva. You will not be able to opt out in advance of receiving the documentation from Aviva. Contact details for Aviva are shown at the end of this document.

The opt out period lasts one month and starts once you receive confirmation from Aviva that you have been auto enrolled into the Plan.

If you opt out within the opt out period you will receive a refund of your contributions (but not Alstom's contributions) and this will be processed in the next available payroll.

If you opt out, you will no longer be entitled to Alstom's contributions and you will lose the life assurance and income replacement benefits provided to members of the Plan.

If you opt out and remain in Alstom's employment, and meet the conditions, we will auto enrol you at Alstom's next 3 yearly re-enrolment date.

However, if you opt out you may choose to re-join once in every 12 month period. To do so you should contact the Alstom pensions department.

Please note that you may not necessarily qualify for the life assurance and income replacement benefits if you re-join the Plan.

Q5 Can I leave the Plan after the opt out period?

Yes, but as explained above you will no longer be entitled to Alstom's contributions and you will lose the life assurance and income replacement benefits provided to members of the Plan.

You will not be able to take a refund of your contributions; your fund will stay within the Plan until you draw your benefits or transfer your fund to another registered pension arrangement.

If you opt out and remain in Alstom's employment, and meet the conditions, we will auto enrol you at Alstom's next 3 yearly re-enrolment date.

However, if you opt out you may choose to re-join once in every 12 month period. To do so you should contact the Alstom pensions department.

Q6 Can I join the Plan early?

No, you cannot join the Plan before the 1 May 2013. You will need to wait until 1 May 2013 to be auto enrolled if you meet the conditions above.

Q7 If I do not join now can I join the Plan later?

Yes, but this may be restricted to once in every 12 months.

Also, you may not necessarily qualify for the life assurance and income replacement benefits if you join the Plan later.

Q8 How much will I have to pay?

The standard employee contribution will be 3% of pensionable pay and if you pay this then Alstom will contribute 5% of pensionable pay.

Your contributions will be made through a salary sacrifice arrangement.

Q9 Can I pay lower contributions?

No, the minimum contribution required to be a member of the Plan is 3%.

Q10 Can I pay higher contributions?

Yes, you can pay higher contributions and if you do then Alstom will increase its contributions in line with the table below.

Your contribution	3%	4%	5%	6%	7%	8% or more
Alstom contribution	5%	6%	7%	8%	9%	10%
Total contribution	8%	10%	12%	14%	16%	18%

Q11 What is Salary Sacrifice?

Salary Sacrifice is an efficient way for most members to contribute to the Plan.

In summary, rather than you paying contributions to the Plan you agree to have your pay reduced and in return Alstom make a correspondingly higher contribution to the Plan on your behalf.

The enclosed leaflet explains in more detail how salary sacrifice works and some of the advantages it offers.

Q12 Can I opt out of the Salary Sacrifice arrangement?

Yes, you can opt out of the Salary Sacrifice arrangement and remain a member of the Plan. If you wish to do this then please complete and return the enclosed form.

Q13 Where can I get more information?

More details about the Plan can be found in the enclosed pack or by contacting Aviva.

Phone - 0800 260 0386 (9am to 5pm, Mon-Fri)

Email - alstom@aviva.co.uk

Alternatively, information is also available at the Alstom pensions website at:

www.pensions.uk.alstom.com/alstomgpp_GPP.htm