

Magnox ESEU Pensions Update – Autumn 2016

This is a special edition of our Pensions Update newsletter to keep you informed of recent activity concerning your membership of the EnergySolutions Section of the Electricity Supply Pension Scheme, referred to in this document as the scheme.

You may recall that when I wrote to you earlier this year I said that we had been engaged in dialogue with both EnergySolutions (EU) and Atkins since the announcement of the potential sale. The sale went through on 11th April 2016 when EnergySolutions (EU) was sold by EnergySolutions Inc to Atkins plc. EnergySolutions (EU) has since been renamed ATK Energy EU Ltd.

There have been a number of exchanges between Atkins and the Trustees since that time and we have been advised that from 1st November 2016 the remaining employees who are members of the scheme transferred employment to Atkins Ltd, which is another employer within the Atkins Group. ATK Energy EU Ltd (formerly EnergySolutions (EU)) no longer has any employees and must cease to be a participating employer in the scheme. Atkins Ltd has become a participating employer in the scheme and is responsible for all liabilities of the scheme, including pensioners and deferred pensioners (those who have left and are waiting to draw their pension). Atkins Ltd will pay all future contributions to the scheme.

The trustees have taken advice from their advisers, in particular a specialist who advises on the strength of employers' covenants (the ability to pay contributions). They have been advised that Atkins Ltd has a stronger covenant than ATK Energy EU Ltd. This provides better long term security.

In future the Section will be known as the Atkins Section.

A formal actuarial valuation is in the process of being completed and we will communicate the results once they are available. In the meantime the scheme remains in a strong position and the low risk investment strategy, which was implemented before the loss of the Magnox contract, remains in place.

Your benefits and the terms and conditions of payment, including various protection arrangements, remain unaffected by this change.

If you have any questions please address them to Rachel Hewlett, the Scheme Secretary, at the address shown below.

Rachel Hewlett
Magnox Ltd
Dungeness Room
Oldbury Technical Centre
Oldbury Naite
South Gloucestershire BS35 1RQ

FURTHER INFORMATION

If you would like details of, or have any queries concerning, your benefits, options or pension in payment please contact RPMI EPAL who deal with the administration of the scheme.

RPMI EPAL,
Unit 2
Rye Hill Office Park
Birmingham Road
Coventry
CV5 9AB

+44 (0) 24 76 47 2582

enquiries@rpmico.uk

BS35 1RQ

rachel.l.hewlett@magnoxsites.com

TRUSTEE BOARD

There have been no changes to the trustee board which remains as follows:

Susan Jee Magnar - Non-Executive Director Chairman of the Group Trustee Member of the Investment Committee	Martin Grafton Cavendish Fluor Partnership seconded to Magnar Ltd – Site Closure Director Hunterston A Deputy Chairman of the Group Trustee
Paul Edwards Cavendish Fluor Partnership seconded to Magnar Ltd – Head of Finance Chairman of the Governance and Audit Committee	Professor Andrew Clare Independent Trustee Chairman of the Investment Committee
Karen Walkden Magnar Employee Head of Organisational Change	

MEMBER APPOINTED DIRECTORS

Jim Boyd Retired employee - in receipt of pension	John Jones Magnar employee
---	--------------------------------------

<p>from the Scheme</p> <p>Member of the Investment Committee</p>	<p>Wylfa Site</p> <p>Active member of the Site Licence Company</p> <p>Section of the Group</p>
<p>Nick Gore</p> <p>Retired employee - in receipt of pension from the Scheme</p>	<p>Fergus Hall</p> <p>Retired employee - in receipt of pension from the Scheme</p> <p>Member of the Governance and Audit Committee</p>
<p>David Openshaw</p> <p>Retired employee - in receipt of pension from the Scheme</p> <p>Member of the Governance and Audit Committee</p> <p>Member of the Investment Committee</p>	<p>Ceri Davies</p> <p>Magnox employee</p> <p>Berkeley Centre</p> <p>Active member of the Site Licence Company</p> <p>Section of the Group</p> <p>Member of the Governance and Audit Committee</p>

Please let us know if you would like a larger print version of this document by telephoning 01453 813115