

**MEMBER BOOKLET 11/22**

# **Westinghouse Electric UK Pension Plan**

**For Members of the SFL2 Section of the Plan who have  
benefits under the CPS 2 Benefit Structure**

# The Westinghouse Electric UK Pension Plan

**Your guide to the retirement and other benefits provided under the Westinghouse Electric UK Pension Plan [‘the Plan’], established by Westinghouse for transferring DB members previously in the Combined Nuclear Pension Plan [‘CNPP’].**

## **Contents**

01   Introduction to the Plan	3
02   Contributions	5
03   Pensions and Lump Sum Benefits	7
04   Retiring	9
05   Benefits for Your Dependants	10
06   Leaving Service	13
07   Added Years and Additional Voluntary Contributions	15
08   Shift Pay Pension Plan [‘SPPP’]	16
09   Finding Out More	17
10   Glossary	19

# Introduction to the Plan

Welcome to the Westinghouse Electric UK Pension Plan [the '*Plan*'].

The *Plan* is a new arrangement for eligible employees who were in the defined benefit Springfields Fuels 2 and GPS WEC sections of the *CNPP*. As a former member of the Springfields Fuels 2 Section of the *CNPP* you are now a member of the SFL2 Section of the *Plan*. This is your guide to the range of benefits which you may be entitled to as a member of the SFL2 Section of the *Plan*.

As part of the protections under the Energy Act 2004 you are entitled to no less favourable employment terms including pensions. Westinghouse is satisfied that the benefits under the pension arrangements are no less favourable than the benefits of the *CNPP* and that the valuable protections afforded by the Energy Act 2004, which provide for your security, have been met.

We explain words in *italics* in the glossary.

## 2.0 Contributions

### What is the SFL2 Section of the Plan?

The *Plan* is an 'occupational pension scheme'. It offers a way of providing you with an income in your retirement. Over the years, you and your employer will both make contributions to the *Plan*. When you retire, we will pay you a pension based on your *Reckonable service* and on your *Pensionable final earnings*.

The *Plan* is set up as a trust. Contributions paid into the *Plan* by members and participating employers are held within this trust and can only be used for *Plan* purposes, such as paying benefits to *Plan* members.

Responsibility for the operation of the *Plan* rests with the trustee, 20-20 Trustee Services Limited ('the *Trustee*'). The *Trustee* is a Professional Corporate Sole Trustee.

Your *Plan* benefits will be based on your *Reckonable service* in the *Plan*, including any added benefits you pay *additional voluntary contributions* for.

The SFL2 Section of the *Plan* will generally replicate the benefits that were available to you under the Springfields Fuels 2 Section of the *CNPP*.

### Do I have to remain in the Plan?

You have the right to 'opt out' of (leave) the *Plan*. If you do wish to opt out you must give the *Trustee* one month's notice in writing. If you do you will then be treated as any other leaver (please refer to Section 6 'Leaving Service' for more details). If you change your mind, one opportunity to re-enter the *Plan* will be allowed on evidence that your health is satisfactory. You must also be aged less than 58, and this should be the first occasion during your current period of service on which you have made such an election, or you must be aged under 25 or within 3 years of starting employment.

If you opt out a second time you will not be allowed to rejoin the *Plan*.

### Important note

This booklet is a straightforward guide to the main benefits and conditions of the *Plan* and it largely replicates the content of the previous booklet in place for the *CNPP*. The Trustee intends to carry out a full review and re-write of the booklet at a later date. This booklet does not cover every aspect of the *Plan* – the full details are contained in the Trust Deed and Rules (dated 18 December 2021 (as amended)), which is the legal basis of the *Plan*. Nothing in this booklet can replace or override the Trust Deed and Rules, and if there is any difference between the booklet and that document, the Trust Deed and Rules will apply.

A copy of the Trust Deed and Rules can be obtained from the *Plan* website at [mywestinghousepension.equiniti.com](http://mywestinghousepension.equiniti.com), the *Plan* Administrator on 0371 384 2545 or email [WEUKPP@equiniti.com](mailto:WEUKPP@equiniti.com). More information can be found on the *Plan* website at [mywestinghousepension.equiniti.com](http://mywestinghousepension.equiniti.com)

### How much must I pay?

You must pay contributions of 5.0% of your *Pensionable earnings*. Of this, 1.5% of *Pensionable earnings* relates to the cost of providing benefits for your *Dependants* after your death. You may wish to purchase extra years of service or additional entitlements by paying additional contributions. See Section 7 for further details.

## 2.0 Contributions

### How much will your employer pay?

Your employer will make contributions at a level agreed with the *Trustee* and which is expected to provide enough funds to pay the promised level of benefits having taken advice from the *Scheme Actuary* and in accordance with any relevant legislation.

Where a deficit arises between the *Plan's* assets and its liabilities, your employer would be required to pay additional contributions to make good this deficit. The *Plan's* funding level is subject to normal actuarial variations due to market movements and differences between actuarial assumptions and experience.

Legislation imposes obligations on employers to make good deficits, and *Plan* funding is monitored by the Pensions Regulator. The Pension Protection Fund also guarantees part of the benefits provided by the *Plan* in the event that an employer is unable (due to insolvency) to make the payments due under the legislation.

### What earnings are pensionable?

As a general rule, only permanent items of pay and responsibility allowances are pensionable. If any other items of your pay were pensionable in the *CPS* (and therefore the *CNPP*) they will also be pensionable in the *Plan*. The *Principal Company* may, from time to time, determine that other items of your pay will be pensionable such as overtime or bonus payments; you will be notified if any such determinations affect you. The *Shift Pay Pension Plan* in the *CPS* which had been used to provide pension benefits for *Pensionable Shift Pay* is also replicated in the *Plan*, as it was in the *CNPP* (see Section 8 of the booklet for more details).

If your salary reduces, you have the option of being treated as if you have two distinct periods of service, if this results in a larger ultimate pension.

If you are on reduced pay during maternity leave (and in certain other circumstances), your employer will make contributions based on the pay that you would have expected to have had if you had not been off work. In most cases, you will make your contributions based on your reduced pay.

Unless you have continuous service in the *CPS*, the *CNPP* and the *Plan* which commenced prior to 1 June 1989, your *Pensionable earnings* will be subject to a maximum, or *Earnings cap*. The *Earnings cap* will increase with the increase in the Retail Prices Index (RPI) and be calculated in accordance with the *Plan* rules.

### Do I get tax relief? What about National Insurance?

#### *Salary sacrifice (SMART pensions) members*

All eligible members were enrolled into SMART pensions (Save Money and Reduce Tax). This was not an option in the *CNPP*. SMART pensions effectively enables members to save the National Insurance they previously paid on their pension contributions in the *CNPP*.

Under SMART Pensions, you no longer pay pension contributions from your salary in the same way you did in the *CNPP*. Instead, your salary is reduced by the same amount as your pension contributions (for example, 5%) and your employer agrees to pay this amount, along with its employer contribution, into the *Plan* on your behalf. As your salary is effectively reduced by the amount of your contribution, your liability for National Insurance also reduces, essentially saving you some money.

You will notice some differences on your payslip. You will no longer see pension contributions going out as you did in the *CNPP*. Instead, as explained above, you will see your salary reduced by the amount of your pension contribution and this will result in a reduction in your National Insurance deduction – saving you money. Your pension contribution will be paid directly to the administrator by your employer. Under SMART Pensions, your death-in-service benefits will remain the same as they will be based on your notional salary – that is, your pay before the reduction for your pension contributions.

## 2.0 Contributions

Members are able to opt-out of SMART pensions.

The table below shows an illustration of how a member's pension contributions might be impacted through SMART pensions (please note that the figures are based on the higher National Insurance rate which applied between April and November 2022):

A member not in SMART pensions		A member in SMART pensions	
Pensionable salary	£35,000	Notional Salary	£35,000
less pension contribution of 5%	-£1,750	Less SMART pension adjustment	-£1,750
		Adjusted salary	£33,250
Less NI contribution: (based on salary of £35,000)	£3,370.25	Less NI contribution: (based on adjusted salary of £33,250)	£3,138.37
		Net increase in pay	£231.88

The figures in the above table are based on annual salary and show an illustration of the annual net increase in pay.

### *Members who have opted out of salary sacrifice (SMART pensions)*

You pay your contributions out of your gross pay (before income tax is taken out) so the cost to you is reduced. If you pay tax at the higher rate you save even more.

#### *Example*

Dave earns £18,000 a year (£1,500 a month). Dave's contributions to the *Plan* are £75 a month (5.0% of £1,500) but the net cost to Dave each month will only be £60.00 as he will get tax relief on these contributions. Dave pays tax at the basic (lower) rate so he will get tax relief at 20%.

Surinder earns £60,000 a year (£5,000 a month). Surinder's contributions to the *Plan* are £250 a month (5.0% of £5,000) but the net cost to Surinder each month will only be £150 as she will get tax relief on these contributions. Surinder pays tax at the higher rate so she will get tax relief at 40%.

From 6 April 2016 employees and employers pay their National Insurance contributions towards the *Single Tier State Pension* and contribute the full standard rate of National Insurance.

In addition to your *Plan* pension you will also receive your entitlement to *Single Tier State Pension* when you reach state pension age. The state pension age for men and women is currently age 66. The Government has further announced that from 2026 the state pension age for both men and women will rise from 66 to 67 by April 2028. Further information about state pension age, including a calculator to determine your state pension age, can be found on [gov.uk](https://www.gov.uk).

## 3.0 Pensions and Lump Sum Benefits

### How do you work out my pension?

When you retire from active service at *Pension age*, you will receive an annual pension and a one-off tax-free lump sum. The amount of these benefits will depend on your *Pensionable final earnings* and length of *Reckonable service*.

You earn a pension of 1/80 of your *Pensionable final earnings* for each year of *Reckonable service* in the *Plan*. See the next sections to find out how we calculate *Pensionable final earnings* and *Reckonable service*.

#### Example

John leaves the *Plan* after 20 years' *Reckonable service*. John's *Pensionable final earnings* are £22,000 a year.

John's *Plan* pension

=  $(1/80 \times £22,000 \times 20 \text{ years})$   
= £5,500 a year.

### What is 'Pensionable final earnings'?

Your *Pensionable final earnings* will be your *Pensionable earnings* in whichever 365 day period in the last 3 years of consecutive *Reckonable service* gives the highest figure. If you have less than 3 years' service, your *Pensionable final earnings* will be calculated over the period of service you have completed.

### What is 'Reckonable service'?

If you work full time, all the years and days you are a member of the *Plan* count as *Reckonable service*, including any added years additionally purchased. For completeness, this includes all the days and years that were counted as *Reckonable service* in the *CNPP* and which formed part of the transfer of your benefits to the *Plan*. If you continue working past your *Pension age*, you can continue building up *Reckonable service* whilst you continue paying contributions.

The maximum number of years that can count for your pension is 45. After 45 years of *Reckonable service* your member contributions will be at the family benefits contribution rate of 1.5% of *Pensionable earnings*.

### Do I get a tax-free lump sum?

You earn a lump sum of 3/80 of your *Pensionable final earnings* for each year of *Reckonable service* in the *Plan*. Your lump sum will be payable free of tax.

#### Example

John retires after 20 years' service. John's *Pensionable final earnings* are £22,000 a year.

John's pension = £5,500 a year  
 $(1/80 \times £22,000 \times 20 \text{ years})$

John's lump sum = £16,500 on retirement  
 $(3/80 \times £22,000 \times 20 \text{ years})$ .

### Exchanging your benefits?

You may choose to give up part of your pension (up to one-third subject to legislative constraints) or part of your lump sum on retirement in return for an increase in your *Dependant's* pension. You may also choose to give up part of your lump sum at retirement in return for an increase in your pension. For more details about all your options contact the *Plan* Administrator on 0371 384 2545 or email [WEUKPP@equiniti.com](mailto:WEUKPP@equiniti.com).

## 3.0 Pensions and Lump Sum Benefits

### What if I work part time?

If you work part time, we will work out your pension by using a full-time equivalent rate for your *Pensionable final earnings* and by counting your *Reckonable service* on the basis of the time you actually work. This treats part-time and full-time periods of service consistently. In particular, you are not disadvantaged if you move to part-time working in the run-up to your retirement.

#### Example

Jenny works full time for 25 years and then works part time (18 hours a week instead of the full-time 36 hours) for the next 10 years. When Jenny retires, her actual *Pensionable final earnings* are £10,000.

Jenny's *Full time equivalent Pensionable final earnings* = £10,000 x 36/18 = £20,000

Jenny's *Reckonable service* = 25 + (10 x 18/36) = 30 years

Jenny's pension = (1/80 x £20,000 x 30 years) = £7,500 a year

Jenny will also receive a lump sum of £22,500 (3/80 x £20,000 x 30 years).

### What if I have periods off work?

You can usually only pay contributions and build up *Reckonable service* if you are actually working. The main exception to this is certain periods of statutory paid maternity leave which count as *Reckonable service*. For other types of leave such as paternity or adoption leave, please contact the *Plan* Administrator on 0371 384 2545 or email WEUKPP@equiniti.com for further details.

If you are off work on long term paid sick leave, you will continue to build up *Reckonable service* if you are paying member contributions during your absence.

### Can I pay more for a bigger pension?

There are facilities to provide you with benefits in excess of the basic level of benefits paid to you from the *Plan*.

- > You can pay *Additional Voluntary Contributions* ('AVCs') every month. *Members* may also be able to purchase added years of *Reckonable service*. These options are explained in more detail in Section 7.
- > If you are in receipt of *Pensionable Shift Pay*, then you will contribute to the *Shift Pay Pension Plan* ('SPPP') at a certain percentage of your *Pensionable Shift Pay*. Your employer will also contribute to the SPPP. The SPPP is explained in more detail in Section 8. *Members*, who were employed before 1991 and elected to have their shift pay pensioned through the CPS, will continue to have their shift pay pensioned through the *Plan* (as was the case in the CNPP).

### Can I transfer in benefits from other pension schemes?

Unless otherwise advised, the *Trustee* is not accepting transfers to the *Plan*.

## 4.0 Retiring

### **When can I draw my pension?**

Your pension benefits from the *SFL2 Section* of the *Plan* will generally come into payment when you reach your *Pension age* (see the Glossary). You may retire early from active service at any time from age 55 but your pension will be reduced for early payment. You cannot draw your pension before age 55 unless you are in ill-health (see Section 6). Your *Pension age* will be the same as you had in the *CPS* (and therefore the *CNPP*).

### **Can I carry on working after my Pension age?**

If you carry on in employment after your *Pension age* you will accrue further pension but will be required to pay contributions whilst you remain in service (see Section 3). Your benefits will come into payment immediately on leaving employment.

### **How do you pay my pension?**

We will pay your pension into your preferred bank or building society account every month. We will deduct income tax in line with instructions from HM Revenue & Customs.

### **Will you increase my pension?**

We will increase your pension every April in line with the rise in the Retail Prices Index (RPI).

# 5.0 Benefits for your dependants

## What options do I have if I leave the Plan?

Generally, the following benefits may become payable on your death:

- > A lump sum (payable at the discretion of the *Trustee*).
- > A *spouse's* pension that is a proportion of your pension.
- > A *children's* pension.

These benefits depend on whether you are in active service, retirement, or have left the *Plan* at the date of your death and are based on your *Reckonable service*.

## Lump sum

### What happens if I die in service?

Under the *CNPP*, you would have been eligible for a lump sum of two times your *Pensionable final earnings* (subject to certain deductions) or, if greater, the lump sum available if you had retired due to ill health (see Section 6). This benefit is no longer provided through the Plan and is instead provided under the Westinghouse Electric UK Excepted Life Trust. In some cases, there may be a top-up payment provided through the Plan. Please see further details from your employer.

There is also a refund of family benefit contributions (1.5% of your *Pensionable earnings*) if no *spouse's* pension is payable on death and the Member is not survived by a *spouse* or *child*.

### What happens if I die after I leave the Plan?

If you leave the *Plan* and then die before drawing your pension, the lump-sum death benefit is equal to the *preserved* lump sum (see Section 6) at the date of your death.

There is also a refund of family benefit contributions (1.5% of your *Pensionable earnings*) if no *spouse's* pension is payable on death and the Member is not survived by a *spouse* or *child*.

### Can I name someone to receive any lump sum when I die?

You can name the person or people you would like to receive any lump sum payment due on your death by completing and returning an Expression of Wish form which you can obtain from the *Plan* website [mywestinghousepension.equiniti.com](http://mywestinghousepension.equiniti.com) or from the Plan Administrator [or through the Company's MSS portal on the intranet]. Payment of the lump sum to your nominee(s) will be subject to the discretion of the *Trustee*.

## Spouse's Pension

### Does my Spouse get a pension?

A pension benefit is payable to your *spouse* when you die. Please see the definition of *spouse* in the glossary in Section 10.

Your *spouse's* pension will be 1/140 of your *Pensionable final earnings* per year of *Reckonable service* at the date of your death. The pension payable to your *spouse* will differ slightly depending on when you die:

- > If you die in service before *Pension age* (with two or more years' *Qualifying service*) your *Reckonable service* for your *spouse's* pension will be *enhanced* in the same way as if you retired on grounds of ill-health (see Section 6).

## 5.0 Benefits for your dependants

- > If you die while in receipt of an *enhanced* ill-health early retirement pension, an allowance will be made for the service *enhancement* (see Section 6) in calculating the *spouse's* pension.
- > If your pension is already in payment, the calculation will allow for any pension increases to the date of your death.
- > If you have *preserved* benefits, the calculation will allow for any revaluation of those benefits from your date of leaving the *Plan* to the date of your death (see Section 6).
- > If you have less than two years' *Qualifying service* and die in service, no *spouse's* pension will be paid.

### **Additional spouse's pensions**

Under certain circumstances the *spouse's* pension will initially be paid at a higher rate as set out below.

If you have two or more years' *Qualifying service* and die in service, a short term additional *spouse's* pension is paid. This increases the *spouse's* pension described above for an initial period. The initial pension will be based on your rate of *Pensionable final earnings* for 91 days (or 182 days if you leave a *spouse* and one or more *children* in the care of your *spouse*).

If you die while in receipt of your pension, a short term *spouse's* pension is paid. This increases the *spouse's* pension described above for an initial period. This pension will be the same as your pension at date of death and will be paid for 91 days (or 182 days if you leave a *spouse* and one or more *children* in the care of your *spouse*).

#### *Example*

James is a member of the *Plan* receiving benefits under the *SFL2 Section*. His *Pension age* is 60. He dies as a current member, aged 55, after 10 years' service. James's *Pensionable final earnings* are £20,000. James leaves a *spouse*, but has no *children*.

James's *Reckonable service* will be *enhanced* by 10 years, to 20 years. (See Section 6 for details of the enhancement.)

James's *spouse's* short term *spouse's* pension will be £20,000 a year. This will be paid for 91 days, so the total short term *spouse's* pension paid in that period will be £5,000.

Thereafter James's *spouse* will be paid a *spouse's* pension of £2,857 a year ( $1/140 \times £20,000 \times 20$  years).

### **Will my spouse's pension carry on if they remarry?**

If your *spouse* gets married again or lives with someone as husband and wife or as a same sex partner (cohabitation), the pension will stop (except for certain members who joined the *CPS* prior to 1978). It may restart at the *Trustee's* discretion if that second marriage or cohabitation comes to an end. The pension may also be continued in full or in part at the *Trustee's* discretion during the second marriage (or cohabitation) if there are compassionate reasons to do so.

## 5.0 Benefits for your dependants

### Children's pensions

#### *Will my children get a pension?*

We will pay a pension to a *child* of yours (and to any other *child*, as specified in the Glossary, who relies on you financially) when you die. We pay *children's* pensions to *children* up to the age of 17 (or up to 23 if they are in full-time education).

This benefit is paid immediately after death, or, where an initial *spouse's* pension is being paid at a higher rate, once payment of that short term *spouse's* pension ceases.

We work out *children's* pensions as a proportion of your pension and, for this purpose, your pension is calculated on the following bases:

- > If you die in service, the pension that would have been paid if you had been retired due to ill-health at the date of death (except that if you have less than 10 years' *Total Reckonable service*, *Reckonable service* is increased to the greater of i) 10 years' *Reckonable service* less your accrued *CPS Reckonable service* or ii) Twice your *Total Reckonable service* less your accrued *CPS Reckonable service*, subject to this being less than the *Reckonable service* you would have had if you had remained in full-time service until five years after your *Pension age*);
- > If you die after retirement, or after being paid an ill-health pension, your actual pension: but if *Total Reckonable service* is less than 10 years, *Reckonable service* used in calculating this pension will be *enhanced* to 10 years less your accrued *CPS Reckonable service* or if less, what your *Reckonable service* would have been if you had remained in service until five years after your *Pension age*; or
- > If you die after leaving the *Plan* but before your pension comes into payment, your *preserved* pension increased between your date of leaving the *Plan* and the date of your death.

Eligibility for *children's* pensions does not depend on the length of your *Qualifying service*.

If you have a *permanently incapacitated child* and have elected to pay additional contributions, an additional *child's* pension will be payable on your death until the *child* ceases to be *permanently incapacitated* or marries. An additional member contribution is required for this benefit. If you are interested in this, please contact the *Plan* Administrator on 0371 384 2545 or email [WEUKPP@equiniti.com](mailto:WEUKPP@equiniti.com).

#### *Level of children's pensions*

The level of the pension we will pay depends on the number of *children* you leave and whether you leave them in the care of your *spouse*, or of another person and whether a *spouse's* pension is paid. Below are some examples of what we will pay:

- > One quarter of your pension for each *child*, up to a maximum of one half of your pension, where a *spouse's* pension is being paid, whether or not the *spouse* has care of all *children*.
- > One quarter of your pension for each *child*, up to a maximum of one half of your pension, where no *spouse's* pension is being paid and the *spouse* has care of all *children*.
- > One third of your pension for each *child* in the care of another person, up to a maximum of two-thirds of your pension where no *spouse's* pension is being paid .

Where the total pension payable is limited, it will be apportioned between the *children* in such shares as the *Trustee* determines.

For a *permanently incapacitated child* the pension will be 1/160th of *Pensionable final earnings* for each year of *Reckonable service* for which you have paid the extra contributions.

#### *Will my spouse's and any children's pensions increase in payment?*

We will increase these pensions every April in line with the rise in the Retail Prices Index (RPI), in the same

## 5.0 Benefits for your dependants

way as we increase the pension payable to you from the *Plan*.

### ***Will my benefits have a minimum benefit guarantee?***

If you die within the first two years after retirement an additional lump sum of five times your pension, less the pension and lump sum payments already received by you up to the date of your death, will be paid.

## 6.0 Leaving Service

### What options do I have if I leave the Plan?

You will leave the *Plan* if your employment with your employer ceases, or if you choose to opt-out while remaining in employment with your employer. However you will not be treated as leaving the *Plan* if you leave employment with one employer that participates in the *Plan* and immediately become employed by another employer that participates in the *Plan*. In this case, you will remain entitled to benefits from the *Plan* on the same basis as previously.

If you have two or more years of *Qualifying service* then on leaving you will be entitled to a *preserved* pension and lump sum based on your *Pensionable final earnings* and *Reckonable service* completed (see Section 3).

Your *preserved* pension and lump sum will increase every year in line with RPI (sometimes called revaluation) and then be paid when you reach *Pension age*.

You may be able to draw your *preserved* pension and lump sum before *Pension age* with an actuarial reduction for early payment if you are age 55 or over and the Trustee consents.

You may be able to draw your *preserved* pension and lump sum before *Pension age* without a reduction for early payment if:

- > You have opted out of the *Plan* and are subsequently retired by your employer on *Medical Grounds*;
- > Your employment with an employer has come to an end but the *Trustee* is satisfied that you would have been retired on *Medical Grounds* had that employment continued; or
- > Your employer agrees to early payment of the benefit on the basis of personal circumstances.

### Transferring your benefits out of the Plan

In all circumstances, you have the option of transferring your benefits out of the *Plan*. If you would like to transfer your benefits from the *Plan* to an alternative arrangement, the *Trustee* will ask the *Scheme Actuary* to calculate your transfer value, which can then be paid into an alternative pension arrangement.

### What happens if I become too ill to work?

If you have two or more years' *Qualifying service* and you have to leave your employer before your *Pension age*, and in the *Trustee's* opinion, based on the advice of the *Plan's* medical adviser, you are entitled to retire on *Medical Grounds* (and your membership of the *Plan* is not subject to any medical restrictions), the *Plan* may pay you your pension and lump sum when you leave. In these circumstances, we will pay your pension without making any reduction because of early payment, based on your *Pensionable final earnings* and *Reckonable service* completed (See Section 3). We may also *enhance* your *Reckonable service* when calculating your pension and lump sum benefit, as set out below.

If you have paid extra contributions to qualify early for your ill-health benefits, and have completed less than five years' *Qualifying service*, your benefits will be calculated on the basis that you have completed five years' *Reckonable service*.

The following two paragraphs apply if you have five or more years of *Qualifying service*.

If you are not on a fixed term contract and have between five years and ten years of *Total Reckonable service*, your *Reckonable service* will be *enhanced* to twice *Total Reckonable service* less *CPS Reckonable service* (as long as the *enhanced Reckonable service* is not more than that which you would have earned if you had worked until age 65).

If you are not on a fixed term contract and have at least 10 years' *Total Reckonable service*, your *Reckonable service* is increased under the methods below, whichever gives the better result:

- > Increasing your *Reckonable service* so that your *Total Reckonable service* equals 20 years (or, if lower,

## 6.0 Leaving Service

the amount you would have built up if you had worked until age 65); or

- > Increasing your *Reckonable service* by 6 and 2/3 years (or, if lower, to the amount you would have built up by age 60 or by age 65 if your *Pension age* is 65).

If you are on a fixed term contract, then *Reckonable service* is increased by the remaining term of your contract .

No *enhancement to Reckonable service* would be paid if you have already left the *Plan*.

In cases of serious ill-health (medically assessed with a life expectancy of less than 12 months) you may be able to commute your pension for a lump sum equal to five times your annual pension.

If you have less than two years of *Qualifying service* you would be entitled to receive a refund of some of your member contributions (excluding those paid in respect of the cost of providing benefits for your dependants in the event of your death).

## 7.0 Added Years and Additional Voluntary Contributions

You have a range of options to increase the level of benefits paid to you from the *Plan*.

You can pay *Additional Voluntary Contributions (AVCs)* every month through deductions from your salary to purchase additional benefits on a 'money purchase' basis. You can also make one off lump sum payments. You may increase, decrease or stop contributions to this arrangement at any time by providing one month's notice to the *Plan* Administrator. A range of investment funds are available. You can choose into which fund or funds you want to invest your *AVCs*. If you do not make a decision on the investment of your contributions then they will be invested in the *Plan* default fund chosen by the *Trustee*. The *AVC* investment guide and more detailed information on all of the funds available such as the fund fact sheets can be obtained by visiting the *Plan* website [mywestinghousepension.equiniti.com](http://mywestinghousepension.equiniti.com). When you retire, you can use your accumulated *AVC* fund to provide additional benefits at retirement, including a cash lump sum in certain circumstances.

*Members* who were members of the *CPS* and transferred to the *CNPP* and who were making additional contributions for the purchase of added years will be able to continue to do so in the *Plan*, on the same terms as previously.

*Members* who were members of the *CPS* and transferred to the *CNPP*, but were not at that point buying added years, may be able to take out a new added years' contract on a basis decided by the *Principal Company*.

Note that on death in service, we will *enhance* your *Reckonable service* for family benefits by the full amount of the added years you have arranged to purchase under such an agreement. A similar *enhancement* will be made to your *Reckonable service* if you retire from service on *medical grounds*.

In a similar way to the purchase of added years, you can purchase additional benefit entitlements or earlier entitlement to certain benefits. For example, you have the option to pay additional contributions to remove the requirement that you must have completed two years' *Qualifying service* before your *spouse* will receive a pension on your death in service.

Note that contribution limits will apply in certain circumstances. The limit for total member contributions in respect of added years and regular contributions to the *Plan* is 15% of *Pensionable earnings* (subject to the *Earnings cap* where appropriate). You can make additional *AVC* contributions as long as the total contributions you make to all pension arrangements are not greater than 100% of your *Pensionable earnings*. There will, however, be a tax charge if you exceed the *Annual Allowance* set by the Government in any tax year.

The Finance Act 2004 introduced the *Annual Allowance* to limit the amount of pension you can build up in any one tax year before a tax charge arises. If the total annual increase in the value of all your pension benefits exceeds the *Annual Allowance* e.g. because of a promotion, you will be expected to notify your tax office. If you need to know the increase in the value of your *Plan* benefits for any tax year, please contact the *Plan* Administrator on 0371 384 2545 or email [WEUKPP@equiniti.com](mailto:WEUKPP@equiniti.com).

If you are interested in paying *AVCs* or purchasing added years, please contact the *Plan* Administrator on 0371 384 2545 or email [WEUKPP@equiniti.com](mailto:WEUKPP@equiniti.com) for further information.

When deciding whether or not to pay added years or *AVCs*, you should consider other investment options that may be available to you outside the *Plan* and you may wish to take independent financial advice.

## 8.0 Shift Pay Pension Plan ('SPPP')

This section relates to the majority of members whose *Shift pay* is pensioned through the *SPPP*. (For the minority of members who chose to have their *Shift pay* pensioned through the *CPS* in 1991, this section will not apply, and *Shift pay* will be pensioned through the *Plan* (which replicates the position under the *CNPP*)).

### Contributions to the SPPP

The minimum rate at which you contribute to the *SPPP* is 5.0% of your *Pensionable Shift Pay*. You can elect to make changes to your *SPPP* contribution level each month to 7.5%, 10%, 12.5%, 15%, and in similar increments up to 100% of your *Pensionable Shift Pay*.

Your employer will also contribute to the *SPPP*. These contributions will be at a level agreed between your employer and the Trustee, having taken advice from the Scheme Actuary. However, your employer's contributions are subject to a minimum of 6% of your *Pensionable Shift Pay*.

### Investment Choice

Your *SPPP* contributions are invested in funds of your choice from a prescribed range and held in your investment account. If you do not make a decision on the investment of your contributions then they will be invested in the *Plan* default fund chosen by the Trustee. Further details on the default fund and the other funds available are in the *SPPP* investment guide. The *SPPP* investment guide and more detailed information on all of the funds available such as the fund factsheets can be obtained by visiting the *Plan* website [mywestinghousepension.equiniti.com](http://mywestinghousepension.equiniti.com) or by contacting the *Plan* Administrator on 0371 384 2545 or email [WEUKPP@equiniti.com](mailto:WEUKPP@equiniti.com).

### Retiring

The *SPPP* is a *money purchase* arrangement and your accumulated fund can be used to provide some tax-free cash and additional benefits at retirement.

### Death benefits prior to retirement

On death before retirement, your accumulated fund will be paid to your *Dependants*.

On death in service with the employer, your lump sum will be *enhanced* to two times the annual rate of your *Pensionable Shift Pay* (as pensioned under the *SPPP*) at the date of your death if your accumulated fund is less than this amount.

## 9.0 Finding Out More

### Trustee

The *Plan* is run by the *Trustee*. The *Trustee* is responsible for the *Plan's* administration and for the investment of the *Plan's* assets. It is the *Trustee's* duty to ensure that your interests are protected. Details of the *Trustee* and its advisors, as well as the *Plan's* audited accounts, are published annually in the *Trustee's* Annual Report, a copy of which can be obtained from the *Plan* website [mywestinghousepension.equiniti.com](http://mywestinghousepension.equiniti.com), on request to the *Plan* Administrator on 0371 384 2545 or email [WEUKPP@equiniti.com](mailto:WEUKPP@equiniti.com).

### How do I find out more about the Plan?

In the first instance you should contact the *Plan* Administrator by email [WEUKPP@equiniti.com](mailto:WEUKPP@equiniti.com) or at the address below if you need assistance or have any questions regarding the operation of the *Plan*. Information about the *Plan* is also available on the *Plan* website [mywestinghousepension.equiniti.com](http://mywestinghousepension.equiniti.com). The *Plan* Administrator's address is

EQ  
Westinghouse Electric UK  
Pension Plan  
PO Box 5167  
Lancing BN99 9AY

Telephone UK: 0371 384 2545; Overseas +44 371 384 2545.

### How do I find out more about state pensions?

Look under the pension section of the gov.uk website: [State Pension - GOV.UK \(www.gov.uk\)](http://www.gov.uk).

### What if I have a complaint?

The Money Helper website ([moneyhelper.org.uk/en/pensions-and-retirement](http://moneyhelper.org.uk/en/pensions-and-retirement)) and free pensions helpline (0800 011 3797) are available to assist members and beneficiaries of the *Plan* in connection with any pension query they may have or any difficulty that they have failed to resolve with the *Trustee*.

If you have a concern and, having raised matters for the *Trustee's* attention in writing via the *Plan* Administrator, you do not feel that your concerns have been adequately dealt with, the *Trustee* has an Internal Dispute Resolution Procedure that should be followed. A copy of the Internal Dispute Resolution Procedure may be obtained from the *Plan* Administrator.

If, having followed that Procedure, you remain unsatisfied, you can ask for the Pensions Ombudsman to investigate. The Pensions Ombudsman is an independent and impartial organisation set up to deal with pension complaints with no cost to scheme members, and can consider any complaint or dispute of fact or law relating to the *Plan*. You can contact the Ombudsman at 10 South Colonnade, London E14 4PU; telephone 0800 917 4487; overseas +44207 630 2200. E-mail: [enquiries@pensions-ombudsman.org.uk](mailto:enquiries@pensions-ombudsman.org.uk)  
Web: [pensions-ombudsman.org.uk](http://pensions-ombudsman.org.uk).

### The Pensions Regulator

The statutory regulator for occupational pension plans is The Pensions Regulator (TPR). TPR's remit is essentially to make sure that pension plans are run lawfully. TPR is able to intervene in the running of plans where trustees, employers or professional advisers have failed in their duties.

You can write to TPR at Napier House, Trafalgar Place, Brighton BN1 4DW; telephone 0345 600 7060. Web: [thepensionsregulator.gov.uk](http://thepensionsregulator.gov.uk)

Another of TPR's duties is to run the Register of Occupational and Personal Pension Schemes. The *Trustee* is required to provide information about the *Plan* to the Register.

## 9.0 Finding Out More

### Pension Tracing Service

A tracing service is available for members to track any pension arrangements they had in the past. If you want to use the tracing service, you can contact the service by telephone on 0800 731 0193; overseas +44(0)191 215 4491; Website address: [gov.uk/find-lost-pension](http://gov.uk/find-lost-pension)

### Plan security

The *Plan* is set up and run according to a Trust Deed and Rules, which take precedence over any contradictory information in this booklet. The *Plan's* assets are held entirely separately from those of the *Principal Company* and other employers.

The *Plan* pays a levy to the Government's Pension Protection Fund.

### Assigning your benefits under the Plan

You are not allowed to assign your benefits under the *Plan* or use them as security for any loans.

### Plan limits

The rules of the *Plan* contain certain limits on the benefits payable from it. Those limits are broadly based on the limits imposed on pension benefits by HM Revenue & Customs before 6 April 2006. In some circumstances, these limits may restrict the benefits which can be paid to you or your beneficiaries.

The *Plan* is registered with HM Revenue & Customs under the Finance Act 2004 because registration provides certain tax advantages. In order for the *Plan* to obtain registration, it has been designed so that only payments which are authorised under the Finance Act 2004 can be paid from the *Plan*. Therefore, if ever the payment of a benefit described in this booklet is limited or withheld because it would otherwise be unauthorised, alternative authorised benefits of equivalent value will be paid if it is reasonably practical to do so.

### Data Protection

As the Trustee of the Plan we hold certain information about you ("personal data") which we need to administer the Plan and pay benefits from it e.g. data of birth, national insurance number and bank account details. When processing this data we must comply with the data protection legislation.

The Trustee is considered a 'Data Controller' for the purposes of the data protection legislation and has a legal obligation and a legitimate interest in processing the data held about you for the purpose of operating the Plan. This may include passing on data about you to the Scheme Actuary, auditor, administrator and other third parties as may be necessary for operating the Plan. Further details about how the Trustee processes your data and your rights in respect of this data can be found on the *Plan website* [mywestinghousepension.equiniti.com](http://mywestinghousepension.equiniti.com). If you have any other enquiries about your data you should contact the Plan administrator on 0371 384 2545 or email [WEUKPP@equiniti.com](mailto:WEUKPP@equiniti.com).

### Providing information

Each member or prospective member must provide to the *Trustee* any documents or information which the *Trustee* may ask for. If you do not provide the information requested, this may impact the benefits you receive from the *Plan*.

## 10.0 Glossary

We have used a number of special terms in this booklet. These are needed to make sure that we accurately describe the Plan's benefits to you.

> **Additional Voluntary Contributions ('AVCs')**

AVCs are a way of topping up your pension. You pay additional contributions to a **money purchase arrangement**. Your accumulated fund is used to buy yourself additional benefits at retirement in addition to your Plan pension.

> **Annual Allowance**

The limit set by Government each year on the amount of pension savings that you can make tax free. The limit is currently capped at £40,000 although a lower limit of £4,000 may apply if you have already started accessing your pension. The annual allowance applies across all of the schemes to which you belong, it is not a 'per scheme' limit and includes all of the contributions that you or your employer pay or anyone else who pays on your behalf.

> **Child and children**

A **child** is a person who is a **child** of yours or certain other close relatives where that child is financially dependent on you and aged less than 17 or in full time education and aged 23 or less. A child is not eligible for benefits if they were not a **child** at the date your active membership ceased, or if they are married or cohabiting.

> **Civil partner**

Your registered same sex partner as defined under Section 1 of the Civil Partnership Act 2004.

**CNPP**

The Combined Nuclear Pension Plan

> **CPS**

The United Kingdom Atomic Energy Authority Combined Pension Scheme.

> **CPS Reckonable service**

This is the years and days that count towards your pension in the **CPS**. Generally, **CPS Reckonable service** is the number of days that you were a member of the **CPS** including any transfers in or additionally purchased service. This also includes any reckonable service in the CPS Section of the CNPP.

> **Dependant**

A **Dependant** is someone who relies on you financially or with whom you are financially interdependent (as determined by the **Trustee**).

> **Earnings cap**

**Pensionable earnings** are subject to a maximum of the **Earnings cap**. In the 2022/23 tax year this will be £181,800 (the earnings cap is no longer published by HMRC, so this is a projected figure based on the RPI). The **Earnings cap** will be increased in line with the increase in the Retail Prices Index (RPI) and be calculated in accordance with the **Plan** rules.

> **Enhancement, enhance and enhanced**

If you retire early because of ill-health or die in service we may increase the **Reckonable service** you have in the **Plan** when we work out your pension. This is called an **enhancement**.

## 10.0 Glossary

- > **Full time equivalent**  
Should you retire during or following a period of part-time working, this is applied to any **pensionable final earnings** earned whilst carrying out this part-time service. The **pensionable final earnings** will be increased by multiplying the ratio of relevant full-time to part-time hours.
- > **Principal Company**  
Westinghouse Electric UK Holdings Ltd, or any other company or organisation that may take over the role from them.
- > **Medical Grounds**  
For the purpose of receiving your benefits before your **Pension age** due to ill-health, **Medical Grounds** means you are, in summary, prevented by ill-health from undertaking your normal duties of employment and this is likely to be permanent.
- > **Money purchase arrangement**  
In a **money purchase arrangement** your contributions are made to another provider to build up a separate retirement fund. These contributions are invested and then used to supplement your main **Plan** benefits at retirement. The amount in your **money purchase arrangement** will depend on the level of contributions and investment return earned on your contributions.
- > **Pension age**  
This is the earliest age you can take your pension without it being reduced because of early payment. **Pension age** is age 60, or the **Pension age** which you had in the **CPS** if different, or as stated in your contract of employment.
- > **Pensionable earnings**  
This is your permanent salary or wages (excluding overtime and bonuses and excluding **Shift pay**), responsibility allowances plus any other allowances which were pensionable under the **CPS** or which are specified by the **Principal Company** to be pensionable and notified in writing to the Member's concerned. Your contributions are based on **Pensionable earnings**. Certain members, who were employed before 1991 and elected to have their **Shift pay** pensioned through the **CPS**, will continue to have their **Shift pay** included in their **Pensionable earnings**.
- > **Pensionable final earnings**  
This is your **Pensionable earnings** in whichever 365 day consecutive period in the last 1,095 consecutive days of **Reckonable service** gives the highest figure. If you have less than three years' service, your **Pensionable final earnings** will be calculated over the period of service you have completed. Your pension is based on **Pensionable final earnings**.
- > **Pensionable Shift Pay**  
**Pensionable Shift Pay** is the amount of your **Shift pay** which your employer has designated as pensionable. Members, who were employed by UKAEA/BNFL before 1991, may have chosen to have their **Shift pay** pensionable through the **CPS**, in which case their **Shift pay** will continue to be pensioned under the Plan. In all other cases shift pay will be pensioned under the **SPPP**.

## 10.0 Glossary

- > **Permanently incapacitated child**  
Child of a member in the **Plan** that is likely to be permanently disabled (due to a mental or physical disability) and hence unlikely to be able to earn their own living (in the opinion of the *Trustee*) and who is wholly or dependent on you.
- > **Plan**  
The Westinghouse Electric UK Pension Plan.
- > **Preserve and preserved**  
If you leave the **Plan** with more than two years' **Qualifying service**, you can leave the pension benefits you have built up in the **Plan**. We will then normally pay you a pension when you reach **Pension age**. Alternatively, you can choose to transfer your **preserved** pension to another pension arrangement before you retire.
- > **Qualifying service**  
This is the years and days that you have been a member of the **Plan** and the **CNPP** (which includes membership of the **CPS**), and it qualifies you for certain benefits. **Qualifying service** in the **CNPP** (and therefore the **CPS**) will count as **Qualifying service** under the **Plan** (save that no **Qualifying service** shall be counted twice). No adjustment is made for part-time service.
- > **Reckonable service**  
This is the years and days that count towards your pension. Generally, **Reckonable service** is the number of days that you are a member of the **Plan** and the number of days that you were previously a member of the **CNPP** including any transfers in or additionally purchased service.
- > **Same sex spouse**  
A person who has entered into a marriage with another person of the same sex in accordance with the Marriage (Same Sex Couples) Act 2013.
- > **Scheme Actuary**  
An actuary appointed by the **Trustee** to carry out valuations of the **Plan** and to provide actuarial funding advice, in accordance with legislation.
- > **Shift Pay Pension Plan (SPPP)**  
You pay contributions based on your **Pensionable Shift Pay** to a **money purchase arrangement**, the **SPPP**. Your accumulated fund is used to buy yourself an extra pension and/or lump sum in addition to your **Plan** pension.
- > **Spouse**  
The person you are legally married to, your **Same sex spouse**, or your **Civil partner** at the date of your death. An ex-husband or ex-wife you are legally divorced from, ex-**Same sex spouse** or ex-**Civil partner**, cannot receive a **spouse's** pension.
- > **Single Tier State Pension**  
From 6 April 2016 contracting-out ceased and the basic state pension, State Earnings Related Pension Scheme (SERPS) and **State Second Pension (S2P)** were replaced by the **Single Tier State Pension** for those members reaching state pension age after this date. The amount you receive depends on your National Insurance contributions made during your working lifetime.
- > **State Second Pension (S2P)**  
Contracting-out for defined benefit schemes ceased on 6 April 2016. From this date the basic state pension and **State Second Pension (S2P)** were replaced by the **Single Tier State Pension**.

## 10.0 Glossary

- > **Total Reckonable service**  
This is the total of your Reckonable service in the Plan, the *CNPP* and your *CPS Reckonable service*. This shall not exceed 45 years.
- > **Trustee**  
20-20 Trustee Services Limited, the sole corporate trustee of the *Plan*.