



Dear Member

Important information about your Group pension

We are writing to you because you are a pensioner or dependant member of the Group with Guaranteed Minimum Pension (GMP) benefits. GMP is a usually small element of your pension earned before 6 April 1997 (please see the enclosed Q&A which provides further detail).

As previously notified, the Group Trustee is legally required to address an historical inequality relating to some GMP benefits in the Group. This follows the outcome of a High Court legal case which affects members of defined benefit pension schemes across the UK, including the Group.

We are now in a position to address this and make the necessary adjustments to individuals' pensions where Group members are affected. There will be no reduction to the current level of your Group pension, for many there will be no change at all and for some your pension may increase slightly.

Making this change also gives us the opportunity to simplify the pension you receive from the Group but before we make any changes to address the GMP inequality, we are consulting with you on how we propose to do this.

If the proposal goes ahead, your pension would change automatically from early 2025. We will send you a benefit statement early in the new year to show any change to your Group pension.

THE KEY POINTS

- The Group Trustee is required to review your Group pension.
- As a result, your Group pension in payment will either stay the same or increase slightly and you may receive a small one-off lump sum. Your pension will not go down.
- Please read the Q&A enclosed which provides more information about GMPs and the proposal.
- You do not need to do anything now but are welcome to provide comments to the Group Trustee about the proposal if you wish.



You are welcome to provide comments to the Group Trustee about the proposal. We explain how you do this over the page.



Please contact Railpen if you have Lifetime Allowance protections (see question 11 in the enclosed Q&A).

Continued overleaf

Our proposal

To address the historical GMP inequality for pensioner and dependant members, we propose to convert all GMP into a different form of pension.

If we proceed with the proposal, your pension would change to a simplified Group pension using a method called GMP conversion, that addresses the GMP inequality and will still increase in future, broadly in the same way that it does now.

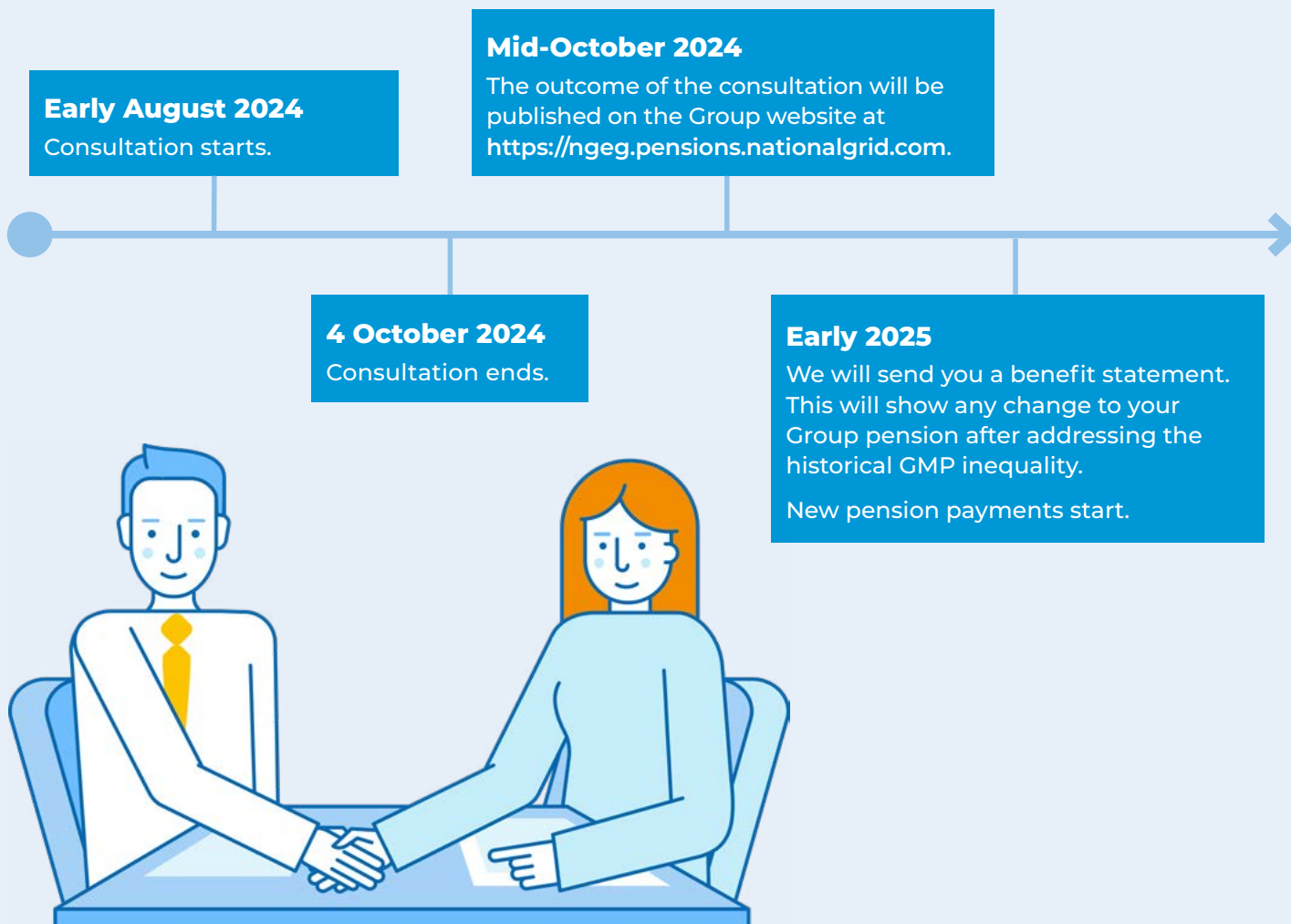
If you are affected by this, after conversion your new pension may be slightly higher than your current Group pension but for many your pension will not increase or change. Compared to your current Group pension, the amount of your current Group pension and expected value of future benefits paid from the Group to you and to any dependants will not be reduced.

The Group Trustee will consider all feedback received during the consultation process and then make a decision whether to go ahead with the proposal. If the changes go ahead as proposed then you will receive a benefit statement in early 2025. This will show any change to your Group pension after addressing the historical GMP inequality.



Key dates

These dates are subject to change and assume the proposal to address the historical GMP inequality goes ahead.

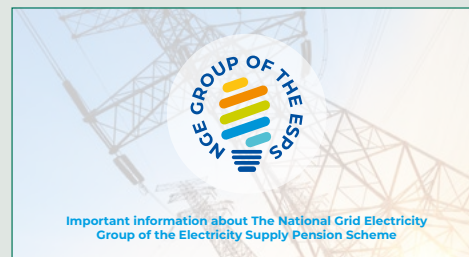


Inviting your views on the proposal

Before a decision is made on how to proceed, the Group Trustee is consulting with you about the proposed method for addressing the historical GMP inequality. Please read the enclosed Q&A.

In particular, we would like to draw your attention to questions 6 and 7. These explain how your pension may change if the proposal goes ahead.

A short video helping to explain GMP is available to watch on the Group website at <https://ngeg.pensions.nationalgrid.com/> in the 'GMP equalisation update' section. The Q&A can also be found there. We will update this during the consultation period should any additional information be helpful.



The consultation period is your opportunity to ask questions and provide any feedback. It will last for around 60 days. It runs from early August to 4 October 2024.

The Group Trustee will consider carefully all relevant comments we receive about the changes proposed during the consultation period.

We will publish the outcome of the consultation on the Group website.

Yours sincerely

Stephen Yandle

Chair of the Group Trustee

Contact details

Our proposal and consultation

The Q&A has been designed to cover common questions impacted Group members may have on GMP conversion and GMP equalisation or our proposal.

However, you may want to contact us if you:

- wish to provide feedback on our proposal by 4 October 2024; or
- have specific Lifetime Allowance or pension tax issues – see question 11.

@ ngridgmp@railpen.com

☎ 0808 196 3694

✉ Unit 2, Rye Hill Office Park, Birmingham Road, Allesley, Coventry CV5 9AB

General queries

If you have a general query about the Group or your benefits, please contact Railpen in the usual way:

@ enquiries@railpen.com

☎ 02476 472540

✉ Unit 2, Rye Hill Office Park, Birmingham Road, Allesley, Coventry CV5 9AB