Chairman’s statement

How do I write a short statement that adequately covers all the issues relevant to you and our Pension Scheme over the last 12 months? Not easily, but here goes. The main points that need covering are:

- Market movements and volatility, which affect investments in both Sections of the Scheme;
- Changes we made to our Final Salary Section investments last year, and how these have affected us;
- The ongoing Final Salary Section valuation process;
- The recent economic trends and how they have affected our Scheme sponsors;
- The impact of this on discretionary pension increases;
- Current work in progress and plans for 2009.

The economic downturn of recent months has obviously had a significant impact on the valuation of many asset classes. In particular, equities (or shares), in which most of the Money Purchase assets are invested, have fallen substantially in recent months. In the long run, hopefully they will more than recover in value. For those close to retirement and who are in the Lifestyle option, however, there has been some protection from the market falls. This Lifestyle funding moves an individual’s investments out of shares and into bonds and cash as they near retirement, thus locking in any gains on shares and moving them into less volatile investments in order to protect people as they get close to drawing their pension.

During 2009 the Trustees are looking to further improve the options open to the Money Purchase Section members. We will announce the details as soon as they are available.

A year ago the Trustees reviewed the assets of the Final Salary Section, and bearing in mind the maturity of the Scheme (it has been closed for over ten years now), transferred around 50% of the assets out of shares and into alternative asset classes. In particular, we are now heavily invested in long-term bonds that deliver returns that match the known, long-term, liabilities of the Scheme. Further details of this are shown later in Viewpoint. This has been extremely beneficial in limiting the effects of recent stock market falls on the Final Salary Section.

The statutory three year Scheme valuation is currently being undertaken based on the value of assets in the Final Salary section at September 30th 2008. Whilst this is not completely concluded yet, it is looking highly likely that we will be in deficit. This is despite the move out of shares which I referred to earlier, and despite the £17m cash injected into the Scheme two years ago by the participating Companies. There are a variety of reasons for this, but predictions of increasing longevity are of course a significant factor.

This deficit, plus the worsening of the economic climate facing the Companies in the second half of 2008 and predicted for 2009 mean that, unlike last time, the Companies are unlikely to be able to settle the deficit immediately, but rather they will pay it back over a number of years.

Furthermore, it also means that there will be no opportunity to add any discretionary pension increases again in 2009, following the trend from 2008. This does not affect the pension increases that may be automatically built into your pension. Given the inability of the Companies to pay discretionary pension increases again this year, and the ongoing economic difficulties, the Trustees were extremely grateful to hear that the Companies made a one-off extraordinary gesture to all pensioners by paying them £450 (before tax) in December 2008.
There were a number of other important developments that the Trustees achieved during the last Scheme year. These included:

- The publication of a new Scheme booklet for both Sections of the Scheme, and the release of the first of a number of additional information booklets, the first one focusing on Additional Voluntary Contributions (AVCs); more will follow in 2009.
- We undertook, as part of our Scheme governance programme, a full tender for the legal services provided to the Scheme. The incumbent Eversheds provided us with the winning bid.
- We were very pleased in July to receive an award from the Engaged Investor Magazine for Best Scheme Governance (see page 5).
- One element of our award-winning governance strategy was the introduction of Trustee compliance visits, where a number of Trustees visit each of our investment companies in turn and ask them some searching questions about how they operate on your behalf.
- I am pleased to report that all your Trustees continued to take the responsibility of being a Trustee very seriously, and each attended a minimum of four half-day training sessions throughout the year – and in addition each attended at least four and in many cases more Trustee subgroup meetings – in order to develop their knowledge and understanding of pension scheme matters.
- In the summer, Uwe Baunack represented the Trustees and our Scheme at the first ever Volkswagen Group Global Pensions Steering Committee, which has been convened to share best practice across pension schemes in the Group across the globe – I would also like to say a big thank you and goodbye to Uwe, who has been a Trustee for five years. His assignment in VWG UK ended in January 2009 and by the time you read this he will have taken up his new position in Wolfsburg. He is being replaced as VWG UK Finance Director, and as a Scheme Trustee, by Juergen Ibach.
- From a policy viewpoint, some of the companies made important changes to the Scheme in operation for existing staff which included: the introduction of flexible retirement options, clarification of the ill-health retirement options, and the early adoption of auto-enrolment.

If you have any questions on any aspect of the Group Pension Scheme I would encourage you to contact your Pensions Manager for your location – details of these are on the back page of this newsletter.

In conclusion, I can again report on a hugely busy year in the world of pensions, and comment that the Trustees continue to work very hard to ensure the long term security of the Scheme. I am sure 2009 will be another eventful year and I wish you all the best of health, wealth and luck!

Ian Iceton
Chairman of the Trustee
Pensions update

The Pensions Act 2008


These reforms aim to encourage more people to save for their retirement. From 2012, any employee not already a member of a good quality occupational pension scheme will be automatically enrolled into a nationwide savings scheme – Personal Accounts. It will be possible to opt out of this centralised scheme, but to encourage participation, employee contributions will be supplemented with both employer contributions and tax relief.

Based on current understanding of the legislation, it is likely that the Volkswagen Group Pension Scheme will satisfy the ‘quality’ requirements, meaning that members will not be automatically enrolled into the new Personal Accounts scheme. However, it’s worth being aware of the new arrangements as they could affect you if you leave your current employment – or they could affect your spouse or partner. If you would like to know more about the Pensions Act 2008 or about pension reform in general, you can visit: www.dwp.gov.uk/pensionsreform/pensions_act_2008.asp.

The credit crunch: what does it mean for your pension?

Over the past few months the headlines have majored on news of the global economic slowdown, with the collapse of some high-profile financial institutions such as Lehman Brothers, various Government rescue packages and the well-publicised slump in house prices, among other things. Clearly, these are difficult times – but how do they affect your pension?

Below, we’ve given a brief summary of the issues – which are different for Final Salary and Money Purchase Section members.

Final Salary members

If you’re a member of the Final Salary Section the pension you have accrued to date is guaranteed, although future changes to the structure of the Scheme can change benefits going forward. This is because your pension is effectively a promise to pay you a set amount when you retire – it is not dependent on investment returns (although clearly your employer has an interest in this area).

However, in practice, the Scheme’s funding level is affected by poor investment returns and, in extreme circumstances, this could affect the Scheme’s ability to pay your pension. This is why you receive an annual Summary Funding Statement – to give you information about the Scheme’s funding level. You can see from the most recent funding statement (on page 8) that the Scheme is well funded and supported by a strong employer.

A positive point to bear in mind is that the Trustee changed the Scheme’s investment strategy last year to be based on Liability Driven Investment – which aims to minimise the Scheme’s exposure to risk. As you can see from the investment performance graph on page 7, this strategy has proved highly beneficial in the current economic climate.

Money Purchase members

If you are a member of the Money Purchase Section, the effect of the slowdown on the value of your Personal Account will depend on your investment choices, and how far you are from retirement.

If your fund is invested in the Lifestyle option…

The Lifestyle option is the default investment fund, so most members will be invested in this fund. If you are in the Lifestyle option, your assets are invested in company shares (known as equities) until 15 years before you retire, and your fund is then gradually switched into corporate bonds and cash, so that by the time you come to retire it is invested 75% in bonds and 25% in cash. This is partly because bonds and cash are less susceptible than equities to short term falls in value and partly because the price of bonds is affected by the same factors as the price of an annuity (which you will buy when you retire to provide you with an annual pension). This means that you are less vulnerable to ‘annuity risk’ – the risk that unfavourable market conditions could lead to your pension losing some of its annuity buying power. You can find out more about the Lifestyle option in the Investment Guide, and about annuity purchase issues in the latest issue of In Focus. You should already have received both of these documents, but please contact the Scheme Administrator if you need another copy.

The upshot of the Lifestyle option is that your fund is protected against short term dips in the equity market that occur close to your retirement. If you are some years away from retirement, your fund is likely to be able to recover its value before you come to retire. Whilst it is obviously worrying to see your fund value falling, it is very important to remember that a pension is a very long term investment and while equities are volatile and susceptible to short term falls in value, they have historically provided the most favourable returns in the longer term.

If your fund is invested in the Self-Select option…

In this case, the effect on your fund depends on which funds you’ve chosen to invest in – if you’ve invested solely in corporate bonds, for example, your fund is likely to have seen favourable returns. You can see your investment choices by viewing your account at www.vwpension.co.uk. However, as with the Lifestyle option, your pension is a very long term investment, and impulsive reactions to falling fund values can damage your interests.

If you are in any doubt about which investment option is right for you, you are encouraged to seek independent financial advice – you can find an IFA in your area by visiting www.unbiased.co.uk.
Scheme news

Your 2009 Benefit Statement

You should have received your annual Benefit Statement for 2008 last summer – and you may have noticed that for the second year running, no State Pension forecast was included in this. This was because the Department for Work and Pensions has been updating its computer systems and has been unable to provide the Scheme Administrator with this information. However, the DWP's systems are now back up and running, so your 2009 Benefit Statement will include an estimate of your State Pension when you retire, as well as an estimate of how much pension you will receive from the Scheme. Your 2009 Benefit Statement should be sent to you around June 2009.

Reminder: Flexible retirement

Don’t forget that all members of the Scheme now have the option to apply for flexible retirement. This is an option that allows you to ease into retirement, by beginning to take your Scheme pension whilst continuing your service with the Company. This might be a good option if you would like to reduce your working hours – your pension would then supplement your reduced employment income.

You may even be able to continue to contribute to your pension as an active member of the Scheme as well as taking your pension at the same time, if you wish. Final Salary members, though, can only continue as an active member of the Money Purchase Section; they cannot continue to contribute to the Final Salary Section.

Flexible retirement is only allowed with the consent of the Company – if you’d like to know more, you should get in touch with your Personnel/HR Department. We would also suggest that you contact an Independent Financial Adviser if you are considering this option.

More awards success

Following 2007’s triumph at the Pension Scheme of the Year Awards, where the Pension Scheme won the prestigious Small Scheme of the Year Award, the Scheme had further success in 2008 at the Engaged Investor Awards, winning the Best Scheme Governance category for private sector schemes. The judges commented that the Scheme has “a comprehensive structure that would befit a multi-billion sized scheme” and also complimented the Trustee on its “proactive training plan”.

As well as the Engaged Investor win, the Scheme also received a commendation at the Pension and Investment UK Scheme Awards, coming second in the Trustee Excellence category. The Trustee is delighted with its successes at all of these awards, since they recognise the effort invested in ensuring that the Volkswagen Group Pension Scheme truly is one of the UK’s best pension schemes.
Report and Accounts overview

The Report and Accounts for the Scheme year ended 30 September 2008 have now been produced, and this section of the newsletter provides an overview of the key details. The accounts themselves show both Final Salary and Money Purchase assets; the rest of the details are split according to Section so you can easily view the figures that are relevant to you.

<table>
<thead>
<tr>
<th>Fund at the start of the year</th>
<th>Final Salary Section</th>
<th>Money Purchase Section</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>£000s</td>
<td>£000s</td>
<td>£000s</td>
<td>£000s</td>
</tr>
<tr>
<td>Plus:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Members’ contributions</td>
<td>587</td>
<td>1,195</td>
<td>1,782</td>
</tr>
<tr>
<td>Employers’ contributions</td>
<td>2,192</td>
<td>6,846</td>
<td>9,038</td>
</tr>
<tr>
<td>Age-related rebates</td>
<td>–</td>
<td>840</td>
<td>840</td>
</tr>
<tr>
<td>Transfers between sections</td>
<td>461</td>
<td>(461)</td>
<td>–</td>
</tr>
<tr>
<td>Transfers in from other schemes *</td>
<td>–</td>
<td>435</td>
<td>435</td>
</tr>
<tr>
<td>Investment returns</td>
<td>(295)</td>
<td>(9,850)</td>
<td>(10,145)</td>
</tr>
<tr>
<td><strong>Less:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Benefits payable</td>
<td>(5,182)</td>
<td>(289)</td>
<td>(5,471)</td>
</tr>
<tr>
<td>Payments to and on account of leavers</td>
<td>(714)</td>
<td>(884)</td>
<td>(1,598)</td>
</tr>
<tr>
<td>Insurance premiums *</td>
<td>(407)</td>
<td>–</td>
<td>(407)</td>
</tr>
<tr>
<td>Administration, actuarial, consultancy and other expenses *</td>
<td>(936)</td>
<td>–</td>
<td>(936)</td>
</tr>
<tr>
<td>Investment management fees #</td>
<td>(43)</td>
<td>–</td>
<td>(43)</td>
</tr>
<tr>
<td><strong>Total net assets at the end of the year</strong></td>
<td><strong>146,630</strong></td>
<td><strong>55,641</strong></td>
<td><strong>202,271</strong></td>
</tr>
</tbody>
</table>

* The costs for this are initially paid through the Final Salary Scheme but apportioned costs are transferred to the Money Purchase Scheme.

*# Investment Management fees for the Money Purchase members are paid direct through individual funds.

Final Salary Section

Membership of the Scheme

The Final Salary Section’s membership has fallen just slightly over the year, from 1,100 on 30 September 2007 to 1,085 on 30 September 2008.

Deferred members **401**

Active members **175**

Current pensioners **509**
**Pension increases**

Final Salary Section pensions in payment were increased as follows with effect from 1 January 2008:

<table>
<thead>
<tr>
<th></th>
<th>1 January 2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Guaranteed Minimum Pensions accrued prior to 6 April 1988</td>
<td>No increase</td>
</tr>
<tr>
<td>Guaranteed Minimum Pensions accrued after 5 April 1988</td>
<td>Statutory increase of 3.0%</td>
</tr>
<tr>
<td>Pensions accrued after 5 April 1997</td>
<td>Statutory increase of 3.9%</td>
</tr>
<tr>
<td>Pensions accrued after 30 September 2005</td>
<td>Statutory increase of 2.5%</td>
</tr>
<tr>
<td>All other pensions</td>
<td>No discretionary increase</td>
</tr>
</tbody>
</table>

**Investment review**

As highlighted in the Credit Crunch article on page 4, the past year has been a difficult one for the financial markets.

The pie chart below illustrates the split of the Scheme’s assets between different asset classes, and the bar chart shows the performance of each fund, compared to its benchmark.

You will notice that by far the best performance over this year has been achieved by the Liability Driven Investment Fund, managed by State Street. This fund was introduced during the 2007-08 Scheme year with the aim of hedging as much of the Scheme’s risk as possible. 64% of the Scheme’s assets are invested in this Fund, with the rest invested in various other funds ranging from currency to property. This diversity aims to minimise the risk that poor performance in one sector has an adverse effect on the Scheme’s funding as a whole.

Since the end of the Scheme year the Trustees have terminated the contract of one of the Investment Managers, Record, because of performance shortcomings.

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![Asset allocation as at 30 September 2008](image)

![Investment performance for the year ended 30 September 2008](image)
Summary Funding Statement

Note: The following information is applicable to members of the Final Salary Section only.

The purpose of this Statement is to give you information about the Scheme’s funding position, which is relevant to you as a Final Salary Section member. The extent to which the Scheme’s assets cover the liabilities to meet future pension payments is known as the “funding level”. If the funding level is at least 100% then the assets are on track – but if the funding level is less than 100% then there is a deficit in the Scheme. In practice, funding levels go up and down over time and the Trustee monitors this closely. Every three years, our Scheme Actuary does a formal review of the contributions required to keep the funding level on track.

A formal actuarial valuation was carried out as at 30 September 2008. This showed that £146m of assets were available in the Scheme for paying Final Salary benefits. Using the Trustee’s chosen assumptions for future investment returns, inflation, and life expectancy of our Scheme members, the Trustee would have liked to have had assets of £152m at the valuation date – meaning there was a shortfall of £6m (a funding level of 96%).

Whilst the Trustee would like to eliminate this shortfall as quickly as possible, the Trustee is very much aware of the difficult and challenging economic circumstances that exist at the current time. The Trustee also recognises that the Scheme has always had the support of a strong and responsible Scheme sponsor, and it has never been more important than at this current difficult time. The Trustee and Companies have therefore worked together to agree a “recovery plan”, designed to eliminate the shortfall over a 10-year period with annual payments of £0.8m. This recovery plan is designed to allow the business to continue to support the Scheme without causing undue stress on cash requirements in the current difficult economic climate.

As reported in the last Viewpoint, the Scheme’s funding level as at September 2007 was 104%. The funding level has therefore worsened over the past year. This is primarily due to investment returns being unfavourable over the past year due to the well-publicised stock market turmoil. On the positive side, the decision by the Trustee to switch a large part of the assets into lower-risk investments a year ago has meant that the funding level of 96% is significantly better than if the switch had not been made, and the finances of our pension scheme compare very favourably with a typical UK pension scheme.

If the Scheme were to be discontinued, the Companies would be required to pay enough money into the Scheme to secure all members’ benefits with an insurance company. It is currently estimated that the Scheme’s assets at the 2008 valuation would be sufficient to secure 89% of members’ benefits with an insurer. If, at that time, the Companies were unable to meet the extra contributions required by the insurer then your benefits may not be met in full and may become payable by the Pension Protection Fund [for more information, visit the PPF website at www.pensionprotectionfund.org.uk]. The Trustee would like to point out that there is nothing to suggest this is going to happen.

Full formal actuarial valuations of the Scheme are required to take place every three years, and so the next valuation falls due in September 2011. In between these reviews, the Scheme Actuary, Mark Jackson, will provide the Trustee each year with an approximate update on the Scheme’s funding position. The results of the next such update are due as at September 2009 and we will report the results in the next Viewpoint.

We are required to inform you, as part of this statement, that there have been no payments of surplus made to the Companies and that the Pensions Regulator has not intervened with the running of the Scheme.
Money Purchase Section

Membership of the Scheme

The Money Purchase Section’s membership has risen over the year, from 3,409 on 30 September 2007 to 3,724 on 30 September 2008.

Deferred members 1,223
Active members 2,475
Current pensioners 26

Pension increases

The amount of increase applied to your pension each year during retirement will depend on which annuity options you choose when you retire. You can find out more about this and other options in the ‘In Focus: Annuity Purchase’ leaflet which you should have received recently.

Investment review

Investment performance over the year has been mixed. The graph across shows the performance for the past year, alongside the three yearly and five yearly performance figures for comparison. You can see that the gilt and cash funds have outperformed the equity and corporate bond funds this year, because these funds are less susceptible to market volatility – although historically they have produced smaller returns in the long term.

One, three and five year returns up to 30 September 2008

- Global Equity
- Balanced
- All Stocks Corporate Bond Index
- Over 5 Years UK Index-Linked Gilt Index
- Cash

12 month return 3 year return 5 year return
Frequently Asked Questions

This issue, we’ve given our usual FAQs feature a facelift, contacting a member of the Scheme to ask what questions he would most like answered. Stephen Sercombe, a member of the Money Purchase Section, addressed his burning questions to the Trustees...

I joined Volkswagen Financial Services in 1999 and am currently working as the Corporate Tax Manager which is one of the shared roles that operate across the Volkswagen Companies. I joined the Money Purchase Section of the Pension Scheme at the first opportunity and recognised immediately that this was one of the major benefits provided by the Company.

I have been concerned in the past few months about how my fund is doing as there seems to be a lot of bad news coming from the financial markets and I am worried how this may be impacting on my retirement plans.

I posed the following questions to the Pension Scheme Trustees to set my mind at ease:

**Q** With all the bad news around shares and investments in general what has been the impact on my pension fund?

The impact on your fund depends on your investment choices and how far you are from retirement. See the Credit Crunch article on page 4 for more details.

**Q** Is there anything I can do to minimise drops in investments or am I at the mercy of the movements in stock markets?

Money Purchase members are responsible for the investment of their individual Pension Accounts. It is important to bear in mind that your pension is a long term investment, and the current situation may be just a short term ‘dip’. You should be very careful to avoid knee-jerk reactions to falling asset values as these could damage your interests further. If you are considering changing your investment options, the Trustee strongly recommends that you take independent financial advice before you do so – remember that neither the Trustee nor the Scheme Administrator can provide you with advice. The Trustee regularly reviews the performance of the Investment Managers and seeks advice on all aspects of investment strategy from our Investment Consultant.

**Q** Would you recommend reducing or even stopping contributions in the current economic uncertainty?

Ideally, you should continue to pay contributions at your normal rate. It may well be a false economy to reduce your contributions because the amount you save is by far outweighed by the amount you lose in terms of employer contributions. And, don’t forget that the tax relief you receive on your contributions means that they cost you less than the percentage of your salary that you give up. So, think carefully before reducing or stopping your contributions. Remember that your employer’s contribution to your pension fund is one of the most valuable benefits you receive – and that membership of the Scheme also provides you with life assurance cover, another extremely valuable benefit.

**Q** As I am still several years from retirement how can I be sure that my fund is on track to give me the pension that I am looking for?

You should keep a health check on your pension by attending the regular pension surgeries. You may also wish to consider paying AVCs to boost your income in retirement. Your annual Benefit Statement will let you know how your fund is growing. Or, even better, you can get online and view your current fund value at www.vwpension.co.uk. It is important that you review your investment options regularly to ensure you are still happy with them. If you are not already invested in one of the Lifestyle options, you could consider this option if you are within fifteen years of your target retirement date. This will help to protect your fund from short term falls in value close to your retirement, as the Lifestyle options gradually switch your fund into assets which are less susceptible to short term falls in value.

**Q** Should I be worried about my pension fund?

It’s understandable if you are concerned about your pension. But remember that, even if your pension fund does fall in value, it should have time to recover any losses before you come to retire (unless you are very close to retirement, in which case the Lifestyle option should have protected the capital value of your fund, if you are invested in this option).
Meet your Pensions Team

Trustee Profile – Andrew Hulme

I have been a member of the Volkswagen Group Pension Scheme since joining Volkswagen Financial Services in January 1996. I currently work within the Finance Department of VWFS.

I am the Member Nominated Trustee for VWFS. This is my second period of trusteeship for the Scheme, having also served for VWFS between 1996 and 2001.

My interest in pension matters goes back many years to when I attended a presentation on pensions and actuarial work at a school careers fair. This led to me spending a year in the offices of Bacon & Woodrow (now part of Hewitt Associates) before settling on a career in accountancy. My involvement in pensions continued at KPMG where I worked on the audit of a number of pension schemes.

I have seen many changes in the management of the Volkswagen Scheme since my first involvement. One major change is the emphasis on the development of trustee knowledge and understanding to enable us to be more effective in our work. This is achieved by quarterly training for the whole Trustee Board on topical issues, and by individual Trustees attaining accreditation in pension trusteeship. I passed the Certificate in Pension Trusteeship from the Pensions Management Institute in 2006 under this initiative.

A second significant change has been the introduction of sub-streams to help with the efficient running of the Scheme. I am currently a member of both the audit and compliance and the administration and communications sub-streams.

I would like all members of the Scheme to take an interest in their pension, and to read the newsletters the Trustee Board makes available for this purpose. Additionally, I would encourage members of the Money Purchase Section to log onto the Scheme’s website at www.vwpension.co.uk, to access further information.

Trustee Directors

The current Scheme Trustee is Volkswagen Pension Scheme Trustee Ltd, which has a board of directors comprising of nine individuals. Five are appointed by the Volkswagen Group and four are elected by the Scheme membership (at least one of whom is always a pensioner member of the Scheme).

Company Appointed Trustee Directors:

- Mr U Baunack – VWG
- Mr I Borthwick – Bentley Motors Ltd
- Mr I Iceton (Chairman) – VWG
- Mr S Shepherd – VWG
- Mr A Shields – VWFS and VW Bank

Member Nominated Trustee Directors:

- Mr P Brown – Pensioner member
- Mr A Hulme – VWFS and VW Bank
- Mr M Jones – Bentley Motors Ltd
- Mr R Platten – (Secretary) – VWG

The Trustee Board is divided into various Streams to deal more effectively with specific aspects of the Scheme’s management:

Communications and Administration Stream – Roy Platten (Stream leader), Andrew Hulme, Peter Brown, Ian Borthwick and Mark Jones.
Investment Stream – Alistair Shields (Stream leader), Roy Platten, Uwe Baunack, Ian Borthwick and Ian Iceton.
Training Stream – Steve Shepherd (Stream leader) and Ian Iceton.
Audit and Compliance Stream – Uwe Baunack (Stream leader), Roy Platten, Steve Shepherd and Andrew Hulme.
What’s coming up

Pensions Clinics

We ran a number of pensions appointments and surgeries during 2008, and all proved extremely popular with most timeslots booked well in advance. We will be continuing to run this series of clinics throughout 2009 – giving you the chance to discuss your own particular circumstances with the Pensions Manager or the Scheme Administrator.

Please remember that neither the Pensions Manager nor the Scheme Administrator can give you advice - they can only provide factual information. If you need to take advice, you can find an Independent Financial Adviser in your area by visiting www.unbiased.co.uk.

Member Education

One of the Trustee’s priorities is to ensure that members understand the Scheme - because this helps you to get the most out of your pension benefits. As part of this commitment to member education, a series of booklets has been produced - one of each for the Money Purchase, Bentley Money Purchase and Final Salary members, along with an accompanying Investment Guide for Money Purchase Section members. The final one of this series, the Final Salary booklet, was completed in summer 2008.

As well as completing the booklets, the Trustee also launched another member education initiative – a series of leaflets entitled ‘In Focus’ to bring you extra details on various aspects of the Scheme and your benefits. The first of these leaflets, ‘Focus on Additional Voluntary Contributions’ was completed in summer 2008, and the second in the series, ‘Annuity Purchase’ is enclosed with this newsletter.

Contact us

If you have any questions about the Scheme or your benefits, you may find the following contact points useful:

Scheme Administrator

Capita Hartshead
Radio House
Thanet Way
Whitstable
Kent
CT5 3QP

Telephone: 01227 773910
Email: vw@capita.co.uk or vwbenlely@capita.co.uk

Pensions Team

Pensions Department
Volkswagen Group UK Ltd
Yeomans Drive
Blakelands
Milton Keynes
MK14 5AN

Telephone: 01908 601631/485725
Email: roy.platten@VWG.co.uk or roy.platten@VWFS.co.uk

Bentley Members only

Pensions Department
Bentley Motors Limited
Crewe
Cheshire
CW1 3PL

Telephone: 01270 653476
Email: ian.borthwick@bentley.co.uk

Internet

Members of the Money Purchase Section can access their account via the website, using their unique password, at: www.vwpension.co.uk

Feedback

We welcome your feedback on this newsletter – please let us know what you think of Viewpoint and whether you have any suggestions for future issues. Please contact the Scheme Administrator, using the details shown above.