

October 2006

Dear Member

Invensys Pension Scheme – Proposed Changes

You will by now have received a communication from the CEO of Invensys plc (“the Company”), Ulf Henriksson, informing you of changes which it is proposed be made to the Invensys Pension Scheme (“the Scheme”). Invensys Pension Trustee Limited (“the Trustee”) also recently received notification of these proposals.

The purpose of this letter is to explain the Trustee’s role in the process which needs to be followed.

While the proposals are clearly those of the Company and, understandably, seek to control the Company’s pension costs, under the terms of the Scheme’s Trust Deed, the Trustee is also required to agree to changes of this type.

Whilst we recognise that to some extent questions concerning the way in which future benefits are earned and paid for are more of a matter for the employer, the Trustee recognises the need to properly carry out its role in this process.

In order to do this the Trustee had raised a number of points of clarification with the Company concerning the proposals, and, together with its professional advisers, will work to review the proposals during the 60 day consultation period outlined by the Company.

While the responsibility for consulting and communicating with you on these matters lies primarily with the Company, the Trustee will communicate further with you as appropriate. In the interim should you have your own questions concerning the proposals I would recommend that these be raised with the Company rather than with either the Trustee or the Scheme administration office in Newcastle.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Kathleen A. O'Donovan'.

KATHLEEN A. O'DONOVAN
Chairman
Invensys Pension Trustee Limited