

Pensions News 2021

*An update from the Trustees
of the Nestlé UK Pension Fund*

Who looks after your pension?

Updates on the Fund and how it works

Reminders from the Pensions Team



Chair's welcome

Welcome to this year's newsletter from the Trustees of the Nestlé UK Pension Fund (the Fund). In this newsletter we aim to explain how the Fund is run, who looks after it and what's been going on over the past year.

Clearly, the last year has presented challenges for everybody and managing the Fund has required changes to the way we work. I am confident, however, that the efforts of the Trustee Board and the Nestlé Pensions Team have ensured a continued high level of service for its members. As a result, we have delivered on some key projects that will have a positive impact for years to come.

Firstly, the Fund's 2018 valuation was completed and signed off this year, bringing with it a valuable package of measures to significantly transform the long-term security of the Fund. This included Nestlé paying a one-off contribution (in June 2021) to clear the Fund's deficit. This was a large and very complex piece of work including a great deal of time and effort from many people. Thank you to everyone who was involved in completing this project.

The valuation has shown that the cost of providing pensions that are being built up by current employees in DB Core and DB CorePlus has increased. This means that employee and employer contributions to

DB Core and DB CorePlus stepped up from 1 November 2021. We have also seen some changes to the Fund's governance. These changes formed part of the package of new measures agreed as part of the valuation. You can read more about the valuation at nestlepensions.co.uk/pensioner/valuation-2018

Alongside this, the Trustees set up a Board Effectiveness Working Group. As a result of this group, we've introduced a number of changes to make sure we are working as efficiently as possible, and to reflect the fact that we continue to work remotely for the time being. The Trustee Board has operated very well in an online environment and I anticipate that we will continue to make the most of the flexibility that online meetings give us.

Finally, in a year in which we saw a record-breaking number of applications, we welcomed Belinda Eddington and Richard Rowden to the Trustee team in June, as well as welcoming back Marcus Barry, who was re-appointed. Sadly, this means we had to say goodbye to Barbara Firth and Steve Robinson, both of



whom have been tremendous Trustee Directors. We'd like to thank them for their commitment and valuable contribution to their respective committees and to the Board during their time as Trustees.

As always, we hope you enjoy reading your newsletter and would be grateful for any feedback. Please get in touch with your comments using the contact details on the back page.

Steve Delo
(Chair of the NUKPF Trustee Board)



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Want to request a document?

You can find a range of useful documents on our website at nestlepensions.co.uk/pensioner/member-comms

You can also request copies of the following documents from Nestlé Pensions using the contact details on the back page:

- Annual Report and Accounts
- Statement of Investment Principles (SIP)
- The DB Implementation Statement
- The DC Implementation Statement
- Schedule of Contributions
- Statement of Funding Principles
- The Trust Deed and Rules

Looking after your pension

The Fund is managed by a Trustee Company (Nestlé UK Pension Trust Ltd) which has an overall duty to run the Fund in line with its Trust Deed and Rules, as well as current pensions law. This Trustee Company acts through us, its Board of Directors (generally called the 'Trustees').

Our Trustee Board is made up of four Trustees appointed by Nestlé and four Trustees selected from member nominations. The Board is also supported by the wider Nestlé Pensions Team and a range of professional advisers.

What do we do?

As Trustees, we're responsible for overseeing the running of the Fund and safeguarding it on behalf of you, its members. With the help of advisers, and the Nestlé Pensions Team, we make sure that contributions are made to the Fund, that its assets are invested appropriately and as securely as possible and that member benefits are paid correctly and on time.

Changes to your Trustee Board

This year, Barbara Firth and Steve Robinson were replaced by Belinda Eddington and Richard Rowden. We'd like to thank Barbara and Steve for their commitment and valuable contribution to their respective committees and to the Board during their time as Trustees. We now look forward to working with Belinda and Richard, and to continuing to work with Marcus (who was re-appointed in June).

Read more about your Trustees at
nestlepensions.co.uk/pensioner/your-trustees



Your current Trustees are:



(Left to right) Marcus Barry, David Baxter, Malcolm Burridge, John Chilman, Steve Delo, Irene Donaldson, Belinda Eddington, Richard Rowden

Marcus Barry

Marcus is a Nestlé pensioner who retired from the business in May 2020 after nearly 30 years' service.

David Baxter

David is a Member Nominated Trustee and a pensioner member of the Fund.

Malcolm Burridge

Malcolm is a Nestlé Appointed Trustee and is currently building up pension in the Fund.

John Chilman

John is a Nestlé Appointed Trustee and an Independent Trustee.

Steve Delo

Steve is a Nestlé Appointed Trustee and an Independent Trustee. He's also the Chair of the Trustee Board.

Irene Donaldson

Irene is a Nestlé Appointed Trustee and is currently building up pension in the Fund.

Belinda Eddington

Belinda is a Member Nominated Trustee and is currently building up pension in the Fund.

Richard Rowden

Richard is a Member Nominated Trustee and is currently building up pension in the Fund.

Spotlight on: your new Trustees, Belinda and Richard

This year we welcomed Belinda and Richard to the Trustee team.

Belinda



What do you do at Nestlé?

I've been at Nestlé since 2004 and currently work as a project manager in the Finance Excellence team. My job focuses on process improvement and how we can work more efficiently and I love how much of the business I get to see within my role.

What do you enjoy doing when you're not at work?

I love discovering new places to visit with my family in our home county of Sussex.

The opportunity the pandemic has given me to explore and find beautiful lakes, gardens, vineyards, picture postcard villages and forest paths on my doorstep has been fantastic!

What made you want to become a Trustee?

I knew that being a Trustee would be rewarding and challenging. I love learning new skills – especially in a world that changes as quickly as the world of pensions, and I wanted to use these new skills, as well as my existing ones, to help other members secure the best financial future. I also enjoy working with new people and getting to know what they bring to the role and am already learning so much.

Richard



What do you do at Nestlé?

I am a third-party contract manager, which means I look after suppliers who make finished products on behalf of Nestlé. I work predominately with the Coffee and Nestlé Professional categories.

What do you enjoy doing when you're not at work?

Recently, I've been working in the garden and doing lots of DIY – very different to my day job where I mainly sit at the PC all day with a headset on. It's nice to do something physical for a change!

What made you want to become a Trustee?

I'd been a pension member representative for several years and wanted to be more involved in helping to deliver better outcomes for all members. I was very surprised at the number of people who actually applied for the role and feel lucky to have been selected. I'm really looking forward to getting to grips with the world of pensions and learning more about topics like responsible investment.



Looking after your pension (continued)

Changes to the Fund's governance

Earlier this year you should have received a newsletter telling you about the outcome of the 2018 Fund valuation.

You can read more at nestlepensions.co.uk/pensioner/valuation-2018

To help share the workload and to ensure that decision-making takes place as efficiently as possible, the Trustees sit on different sub-committees – each with a special focus. Before the valuation there were three sub-committees:

- The Governance and Compliance Committee (GCC)
- The Defined Benefit Financing Committee (DBFC)
- The Defined Contribution Committee (DCC)

As part of the outcome of the valuation, the Trustees and the Company created a new governance structure, which means that the DBFC will now split into two separate committees – the Defined Benefit Investment Committee (DBIC) and the Defined Benefit Financing Committee (DBFC).

The Defined Benefit Investment Committee (DBIC)

The DBIC will look after any investment strategies and implementation (how the strategy is put into action) within our DB sections.

The Defined Benefit Financing Committee (DBFC)

The DBFC will focus on funding and covenant matters (Nestlé's legal obligation and financial ability to support our DB scheme both now, and in the future).

Go to nestlepensions.co.uk/pensioner/your-trustees to read more about the trustees and sub-committees.



Company news

GroceryAid supports those who support others

If you look after a partner, spouse or dependant who is disabled or ill due to physical or mental health, you are a carer, even if you don't think of yourself as one.

Many lives were turned upside down during the past 18 months and, for some families, structures and routines have seen considerable change. This may have led to new caring responsibilities, which can be both physically challenging and have an impact on mental health for both the cared-for person and carer.

You might be experiencing change within your own household adapting to a new role as a carer for a household member due to an unexpected incident or illness – if so, we understand the challenges you might be facing physically, mentally, and financially.

Every day, another 6,000 people take on a caring responsibility – that equals over 2 million people each year. Life can take a sudden turn and loved ones can fall ill or need support; knowing you can rely on GroceryAid to lend a helping hand could be the first step in easing your worries.

The GroceryAid Wellbeing Platform provides specialist online support whenever you want or need it. The self-help information available includes factsheets and guided self-learning modules.



If you or a loved one need support, you can find out more information by visiting www.groceryaid.org.uk/get-help/

Or, call the 24/7 free Helpline on **08088 021 122**

The GroceryAid Carers Programme

The GroceryAid Carers Programme supports people who are working or who have worked in the grocery industry who give care to, or who are cared for by others in their household with:

- In-the-moment emotional support through their confidential 24/7 Helpline,
- Access to telephone or face-to-face counselling to help deal with stress, anxiety, and depression,
- Telephone information specialists who can give benefits advice and information, and
- Financial Assistance (subject to meeting eligibility criteria).



Company news (continued)

Tackling climate change

Our climate change roadmap

Last December (2020), we at Nestlé announced our commitment to halve our greenhouse gas emissions by 2030 on our journey to become net zero by 2050.

As a result of this commitment, we'll be taking action across our whole supply chain, from farm to fork, broadly focusing on three key areas:

- Supporting regenerative agriculture
- Rethinking our operations
- Transforming our product packaging and portfolio

We're using 15% less plastic packaging in our confectionery sharing bags, saving 83 tonnes of plastic every year

Cheryl Allen, Head of Sustainability for Nestlé Confectionery explains: "The move will not only save on the amount of virgin plastic we use each year, it will have significant benefits throughout our supply chain in the UK and Ireland. For example, we can now pack more sharing bags at a time, which means fewer lorries are needed to transport them. In total, we will be able to take the equivalent of 331 lorries off UK roads every year, saving 71,472 road miles and 130 tonnes of CO₂ emissions."

Read more about how Nestlé is tackling climate change at [nestle.co.uk](https://www.nestle.co.uk)



Our cross-industry coffee pod recycling scheme, Podback, has gone live across the UK

Households across the UK can now recycle their coffee pods using one simple and easy recycling scheme. Podback is a first of its kind recycling programme for coffee pods set up by the two biggest players in the UK coffee industry, Nestlé and Jacobs Douwe Egberts UK.

Consumers can recycle their Nespresso, Nescafé Dolce Gusto, Starbucks by Nespresso, Starbucks by Nescafé Dolce Gusto, Tassimo and L'OR coffee pods in two simpler ways:

- Collect+ delivered by Yodel: Consumers will be able to take their used coffee pods to their nearest drop-off point.
- Kerbside collection: Consumers in eligible areas will be able to sign up to use kerbside recycling for their coffee pods.

You can check whether your area is eligible, how each council will run the collection service, and order recycling bags via www.podback.org

Last December (2020), we at Nestlé announced our commitment to halve our greenhouse gas emissions by 2030 on our journey to become net zero by 2050.



New products

We've also launched some exciting new products in the last year:

Vegan KitKats

After much anticipation, Nestlé's new vegan KitKat is in stores now.

KitKat V features smooth chocolate blended with a rice-based alternative to milk that beautifully balances the crisp wafer. The bar was developed by chocolatiers and food scientists in Nestlé's Research and Development centre in York, the original home of KitKat.

Louise Barrett, Head of the Nestlé Confectionery Product Technology Centre in York said: "Our challenge when we set out to create a vegan-friendly KitKat was to recreate this iconic product using plant-based alternatives.

To achieve this, we worked very hard to get the right balance between the milk alternative and the cocoa. The result is a vegan chocolate that we're very proud of, and I hope all KitKat fans will love it as much as we do."

Wunda

Wunda, Nestlé's new innovative 'epic in everything' plant-based milk alternative launched in the UK in June.

Made from yellow split peas, Wunda has a neutral, refreshing taste that makes it a great alternative and versatile choice for people who want a plant-based drink that tastes closer to dairy.

Not only does Wunda taste great, it is also nutritious*, sustainably produced and has been certified as carbon neutral by the UK Carbon Trust.

*Protein contributes to a growth in muscle mass. Enjoy as part of a healthy diet and lifestyle.



You can read more about these new products and more at [nestle.co.uk](https://www.nestle.co.uk)



Reminders from the Pensions Team

Pension payment dates 2021

**YOUR NEXT PENSION
PAYMENT DATE WILL
BE 21 DECEMBER 2021**

You can see the rest of your pension payment dates on our website at nestlepensions.co.uk/pensioner/payment-dates

If you have any problems or queries regarding your pension payments, please get in touch using the details on the back page.

Are your details up to date?

It's important that we have your updated address and bank details so we can carry on communicating with you about your pension and make sure your pension is paid into the right bank account.

If you've changed your address or bank details, please write to Nestlé Pensions with your new details, making sure that you sign the letter to tell us that you authorise the change. We can also accept a scanned signed letter by email. You can find our postal and email address on the back page.

If you've changed your address or bank details, please let us know.

Power of Attorney

If you have Power of Attorney over a pensioner and need to make any changes or request any information on their behalf, you'll need to send us a photocopy of the original Power of Attorney document.

If you have any questions about using a Power of Attorney in relation to a Nestlé pension, contact us using the details on the back page.



Share your thoughts with us

The Pensions Team is always looking to hear from you, our members, and we'd love to know what you think of the information we send you.

To share your thoughts, take five minutes to complete our short online questionnaire at <https://forms.office.com/r/HXRGYc4KSV>



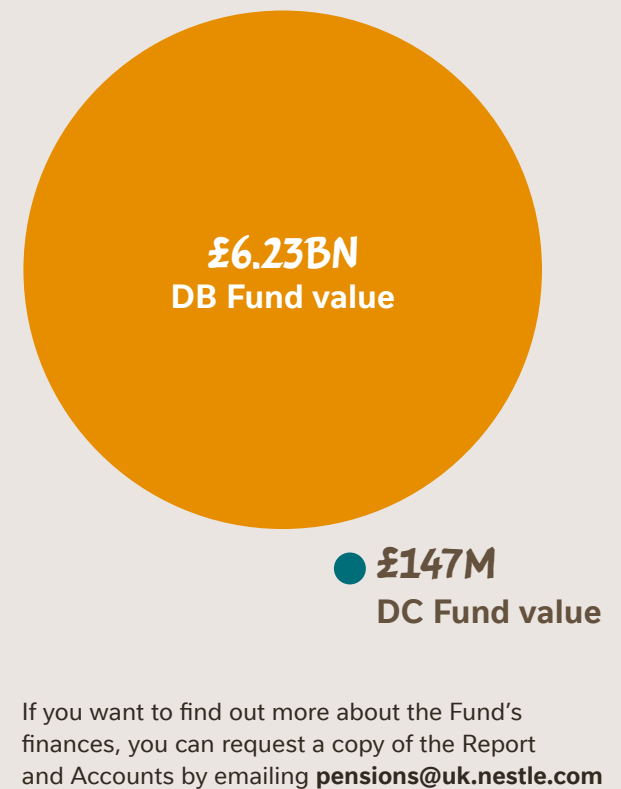
About your Fund

Here you can see a breakdown of who else is in the Fund.
You can also see the latest DB and DC Fund values.

Who's in the Fund?



What's in the Fund?



Note: these figures are all as at 30 September 2021, and include AVCs that are held on behalf of members.

For further information about the Nestlé UK Pension Fund you can:



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United Kingdom



Call us on:
020 8667 6363



Email us at:
pensions@uk.nestle.com



Visit the website at:
nestlepensions.co.uk

Other useful contacts

The Pensions Regulator

The Pensions Regulator regulates how pension arrangements like the Fund are run, and can step in if trustees, employers or professional advisers have failed in their duties. Visit their website for help and information at thepensionsregulator.gov.uk

ScamSmart

FCA's 'ScamSmart' website provides lots of useful information about how to spot a scam, how to check out what you are being offered is legitimate and many other useful resources. Visit their website at fca.org.uk/scamsmart

Unbiased

If you're thinking about making a decision about your pension it's always a good idea to seek independent professional advice. You can find an independent financial adviser in your area at unbiased.co.uk

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