



Pensions News 2022

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

Who looks after your pension?

Updates on the Fund and how it works

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 it, we'll help you understand how the Fund is run, who looks after it and what's been going on over the past year – especially in the period of market turbulence that followed the then Chancellor's mini-budget in September.



The mini-budget triggered significant volatility in investment markets and a rise in the cost of Government borrowing, which has impacted pension schemes throughout the UK – particularly defined benefit (DB) arrangements like the Fund.

On **page 11**, you'll see that the overall value of our DB section has fallen since last year. However, we'd like to reassure you that the DB section of the Fund remains able to pay members' pensions now. It is also projected to have enough assets to be able to continue to pay all benefits in the future.

You can find an article on the Nestlé Pensions website that provides more detail about what's happened and how it has affected pension schemes at nestlepensions.co.uk/pensioner/mini-budget-update – which we encourage you to read.

This year, new regulation has meant that we are now required to report on how the Fund is managing climate-related risks and opportunities. A great deal of work has gone into outlining our approach and making sure that we can report on this accurately. You can find out more on **page 6**.

We are also currently working on the next valuation. Once it's finished, it will tell us about the Fund's financial health as at 31 December 2021. We hope to write to you with the results in the first half of next year.

As we move into 2023, one of our Member-Nominated Trustees (MNTs), David Baxter, will end his current term of office. This means we'll have a vacancy for an MNT during the year. Read more about how and when you can apply on **page 5**.

As always, we hope you enjoy reading your newsletter and would love to hear your feedback. To tell us what you think, please go to bit.ly/nestle-pensioner-survey

It only takes two minutes and helps us make sure we're giving you the information you want.

Steve Delo
(Chair of the NUKPF Trustee Board)

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Looking for more information about the Fund?

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

If you want to read more about how the Fund is run, you'll find information, alongside the following documents, at nestlepensions.co.uk/pensioner/how-the-fund-is-run

- **Statement of Investment Principles (SIP)**
The SIP sets out the main principles that the Trustees use when making investment decisions for the Fund.
- **Implementation Statement**
As part of the Fund's reports and accounts, the Trustees need to show how the investment policies set out in the SIP have been implemented in an 'Implementation Statement'.
- **The Taskforce for Climate-related Financial Disclosures (TCFD) Report**
This report sets out our approach to assessing and managing the risks and opportunities related to climate change. Find out more on **page 6**.

You can also ask for copies of the following documents from Nestlé Pensions using the contact details on the **back page**.

- **Schedule of Contributions**
The Schedule of Contributions shows the contributions that employers and members need to pay to fund the promised DB benefits in the Fund.
- **Statement of Funding Principles**
The Statement of Funding Principles sets out our policies on how we fund the Fund so that we can pay all the benefits promised to our members.
- **The Trust Deed and Rules**
The legal document that sets out the rules of the Fund.
- **Annual Report and Accounts**

If you'd like to find out what data the Fund holds about you and how we process it, you can read the Fund's UK personal data privacy statement at nestlepensions.co.uk/privacy-policy

Looking after your pension

The Fund is managed by a Trustee Company (Nestlé UK Pension Trust Ltd) which has an overall duty to run it 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 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 all of your contributions are invested appropriately and as securely as possible, and that member benefits are paid correctly and on time.

What's the difference between Member-Nominated Trustees and Nestlé-Appointed Trustees?

Member-Nominated Trustees are appointed from the Fund's members for a position on the Trustee Board. They have to be either working for Nestlé and building up pension in the Fund, or receiving a pension from the Fund.

Once they've been nominated, they go through a selection process to make sure that they are suitable to become a Trustee. The last selection process we ran was very competitive.

Nestlé-Appointed Trustees are either:

- Professional Trustees who are recruited to bring an extra level of expertise, or
- Members of the Fund – they might still be working for Nestlé and building up pension in the Fund, or they might be pensioner members of the Fund.

Nestlé-Appointed Trustees are asked to be a Trustee by the Company because they bring a specific skill, type of thinking or expertise with them.

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

Want to help run the Fund?

Read more about opportunities coming up next year on [page 5](#).

Your current Trustees are:



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

Member-Nominated Trustees

Marcus Barry (pensioner member)

David Baxter (pensioner member)

Belinda Eddington (active member*)

Richard Rowden (active member*)

Nestlé-Appointed Trustees

Malcolm Burridge (active member*)

Irene Donaldson (active member*)

John Chilman (independent Trustee)

Steve Delo (representing PAN Trustees – Independent Trustee and Chair of the Trustee Board)

* An active member of the Fund is someone currently building up pension in it.

“As Trustees, we're responsible for overseeing the running of the Fund and safeguarding it on behalf of you, its members.”

Looking after your pension (continued)

Want to make a difference? Apply to become a Member-Nominated Trustee.

Early next year, we'll be looking for a talented member of the Fund to become a Member-Nominated Trustee (MNT) from April 2023. If you're up to the challenge, you'll be able to apply to join the Trustees on the Board and help oversee the day-to-day running of the Fund.

You'll learn new skills and play an important part in helping to look after the interest of thousands of Fund members.

We'll send you more information about how you can apply in early 2023.

What do our current Trustees have to say about the role?

Irene Donaldson (Company-appointed Trustee) and Steve Delo (Independent Trustee and Chair) explain why being a Trustee is a great thing to do:

"It's a great role you'll definitely gain a lot from."



Irene Donaldson
Nestlé-Appointed Trustee

"Being a Trustee brings with it a lot of responsibilities, but that makes it very rewarding.

"I've got the chance to give a little back to the people in this business."



Steve Delo
Representing PAN Trustees –
Independent Trustee and
Chair of the Trustee Board

"I think it's a great role, and something you'll definitely gain a lot from.

"If you can make the personal commitment, and feel like you can give something back to make this pension fund as good as it can be, this is a great opportunity for you."



How your pension works

A great deal of work goes on behind the scenes to make sure that the Fund looks after the pension that you receive. Most importantly, we have to make sure that it has enough money to pay current benefits as well as future ones. On the next two pages, we highlight the work that the Trustees have undertaken to make sure the Fund is in good health and to help it become a more responsible investor.

The 2021 Fund valuation

We're currently working on the valuation that will give us a picture of the Fund's financial health as at 31 December 2021. This is the date the actuaries took the figures they'll base the valuation on. We hope to be able to share the results with you in the first half of 2023.

What is a valuation?

A valuation is a financial 'health check' of the DB sections of the Fund. It compares the total value of the Fund's assets (the money the Fund has available now) with its liabilities (the estimated amount of money it will need both now and in the future to pay the benefits members have already earned).



“The TCFD report also looks at how we can focus on and monitor our greenhouse gas emissions and carbon footprint through our governance, investment strategy, and risk management.”

Responsible investing

We are committed to being a responsible investor

As a pension fund, we are committed to being a responsible investor and believe that Environmental, Social and Governance (ESG) factors, including climate change can affect how well the Fund's investments perform. We think that including these factors in our decision-making can lead to a more complete investment analysis, and better investment decisions.

This year is the first year we've had to report on 'climate-related financial disclosures' (the effect that climate change might have on the value and performance of the things that the Fund's money is invested in). We did this in a Taskforce for Climate-related Financial Disclosures (TCFD) report.

Two of the main things we report on are the greenhouse gas emissions and the carbon footprint of the assets we invest in.

The TCFD report also looks at how we can focus on and monitor our greenhouse gas emissions and our carbon footprint through our governance, investment strategy, and risk management. It also explores how we can engage the organisations who manage our investments on our behalf so that they are aligned with our responsible investment principles.

As this is the first year that many pension schemes are reporting, there are several gaps in our data as our investment managers are also just beginning to report this information. But we believe that this report will become more meaningful over time as data availability improves and allows us to report on how our greenhouse gas and carbon emissions have changed – and, we hope, reduced – over time.

Download the full TCFD report at [nestlepensions.co.uk/pensioner/how-the-fund-is-run](https://www.nestlepensions.co.uk/pensioner/how-the-fund-is-run)

You can also read more about our responsible investment policies on page 11 of our Statement of Investment Principles (SIP) for the DB sections and page 13 of our Statement of Investment Principles (SIP) for the DC sections.



Company news

Here's a brief insight into what's been happening in the wider world of Nestlé.

KitKat Chunky Caramel hits the shelves

In July this year Nestlé UK launched *KitKat Chunky Caramel*, featuring a thick layer of runny caramel atop the brand's classic wafer, all covered by *KitKat*'s trademark smooth milk chocolate.

Callum Smith, Assistant Brand Manager for KitKat said: "A new *KitKat Chunky* is always one of the year's most anticipated confectionery launches, and we think fans will be delighted with our latest innovation."

This limited edition *KitKat Chunky* is available nationwide in supermarkets and convenience stores.

Read more at [nestle.co.uk/en-gb/news/pressreleases/kitkat-chunky-caramel](https://www.nestle.co.uk/en-gb/news/pressreleases/kitkat-chunky-caramel)



Nestlé Waters is working with Derbyshire Wildlife Trust

Nestlé Waters UK is working with Derbyshire Wildlife Trust to restore an area of Buxton to meadowland.

The Cowdale Quarry is being managed by the Trust on behalf of our company to regenerate it back to its natural habitat.

Protecting and regenerating the land is part of the vital work Nestlé Waters is doing in the area to protect the local water cycles for future generations.

Our vision for Cowdale is to increase species diversity, allow common and rare species to flourish as well as enable the regeneration of existing habitats and the creation of new ones.

Hayley Lloyd House, Head of Sustainability at Nestlé Waters UK said: "By doing the right thing above ground, we are also helping to protect what's underground – the purity of one of the planet's most precious and greatest assets, water."

Read more about this work at [nestle.co.uk/en-gb/media/news/historic-site-set-become-new-home](https://www.nestle.co.uk/en-gb/media/news/historic-site-set-become-new-home)

Nestlé joins 40 brands in Too Good To Go campaign to tackle date label confusion

Last year, Too Good To Go, the anti-food waste company, launched its industry leading initiative to tackle date label confusion. The 'Look, Smell, Taste, Don't Waste' campaign aims to educate consumers to use their senses instead of purely following Best Before labels. It also encourages food brands to move from Use By to Best Before labels where safe to do so, all in a bid to reduce unnecessary food waste.

Now, one year on, Too Good To Go is celebrating having more than 40 food and drink brands signed up to the initiative, including Nestlé.

Stefano Agostini, Nestlé UK&I CEO, said: "We've been delighted to support Too Good To Go's 'Look, Smell, Taste, Don't Waste' campaign this past year. We've been rolling out the new labelling across our key products which are produced in the UK and Ireland to build on the work we've been doing to reduce food waste across our operations.

"Our Nestlé Cereals now have the 'Look, Smell, Taste, Don't Waste' messaging on the boxes to make it clear that not all food that's gone past its Best Before date should be headed for the bin."

Read more at [nestle.co.uk/en-gb/media/pressreleases/allpressreleases/too-good-go](https://www.nestle.co.uk/en-gb/media/pressreleases/allpressreleases/too-good-go)

Company news (continued)

GroceryAid

Last year we told you about GroceryAid – a charity that supports current and former employees from the grocery industry who care for someone in their household.

GroceryAid can also provide emotional, practical and financial support either through its free and confidential helpline, or its website.

After a few unprecedented years packed with uncertainty, it's understandable that the current increases in cost of living could cause further worries or increase anxieties. Even though we can't accurately predict what might happen next, naturally we plan for the worst-case scenario.

There has been a significant increase in the number of grocery colleagues needing to access GroceryAid's services since the start of the year and it's safe to say that, if you're feeling the pressure from the cost of living increase, you're not alone.

As well as the coping strategies we outline in the next column, you can also access GroceryAid's online emotional wellbeing session at www.groceryaid.org.uk/get-help/health-and-wellbeing-support

If you or a member of your household needs support, you can get more information by visiting groceryaid.org.uk/get-help

Or call the 24/7 free and confidential helpline on **08088 021 122**.



Here are a few tips for how to manage anxiety in trying times:

Acknowledge your thoughts and make room for your feelings

Emotions are part of your every day and allowing yourself to feel them and let them pass is a healthy way to deal with them. Being aware of thoughts you might be experiencing and acknowledging what might have caused those feelings is a great place to start. Try balancing out difficult emotions by doing something that makes you happy. Spend time with family and friends, go for a walk, or listen to music to help lighten your mood.

Open up to those around you

You'll probably find that a lot of your friends and family have the same worries and concerns as you. Opening up to those around you and providing support and reassurance can provide relief for both you and those you talk to. You can also speak to a counsellor on the GroceryAid Helpline for further support: 08088 021 122.

Limit your triggers

Start off by recognising your triggers – what happened just before you started to feel anxious? Were you watching the news or checking social media? Once you've recognised what your triggers are, try to limit how often they occur and notice if that helps makes an impact.

Manage your worries and focus on what you can control

Taking time out each day to focus on what you're most concerned about can help you develop a plan to manage your worries. Acknowledge what you can control and set time aside to plan for it. Sometimes it helps to note down your worries throughout the day so you can take time in the evening to come up with solutions. Get further financial advice or create a budget using GroceryAid's financial toolkit at www.groceryaid.org.uk/finances

Pension news

KEEP YOUR OTHER PENSIONS SAFE FROM SCAMS

While you can rest assured that your Nestlé pension is safe, if you have other pensions elsewhere that you haven't taken yet, it's important to keep those retirement savings safe too.

To keep an eye out for scams, make sure you know the warning signs.

Top tips for avoiding scams:

- 1 Reject unexpected offers
- 2 Check who you're dealing with
- 3 Don't be rushed into making a decision
- 4 Get impartial information or advice

You can read more about pension scams and how to protect yourself against them on our dedicated scams information page at [nestlepensions.co.uk/pension-scams](https://www.nestlepensions.co.uk/pension-scams)

Nestlé Pensions has signed up to The Pensions Regulator's Scam Pledge

This means that the Pensions Team is putting even more measures in place to help protect our members from scammers.

Do you need help managing your finances? Try MoneyHelper

MoneyHelper (previously the Money and Pensions Service) has a specific section that aims to help people manage their money, particularly in uncertain times.

Their website offers specialist guidance on how to deal with money worries, whether you're:

- living on a squeezed income,
- struggling to pay bills, or
- talking to an organisation that you owe money to.

As well as accessing these resources online, you can contact MoneyHelper if you're worried about money, or need some help, by:

Calling them on **0800 138 7777** (Monday to Friday 8am-6pm)

Filling out an online form at [moneyhelper.org.uk](https://www.moneyhelper.org.uk) at any time

Using their live web chat Monday to Friday 8am-6pm or Sat 8am-3pm

Chatting to them on WhatsApp on **+44 77 0134 2744**



From the Pensions Team

Pension payment dates

**YOUR NEXT PENSION
PAYMENT DATE WILL
BE 21 DECEMBER 2022**

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 questions about your pension payment dates, please get in touch using the details on the **back page**.

Are your details up to date?

It's important that we have the correct address and bank details for you so that we can stay in touch with you and keep paying your pension.

If you've changed your address or bank details (or plan to do so in the future), 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 contact details 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

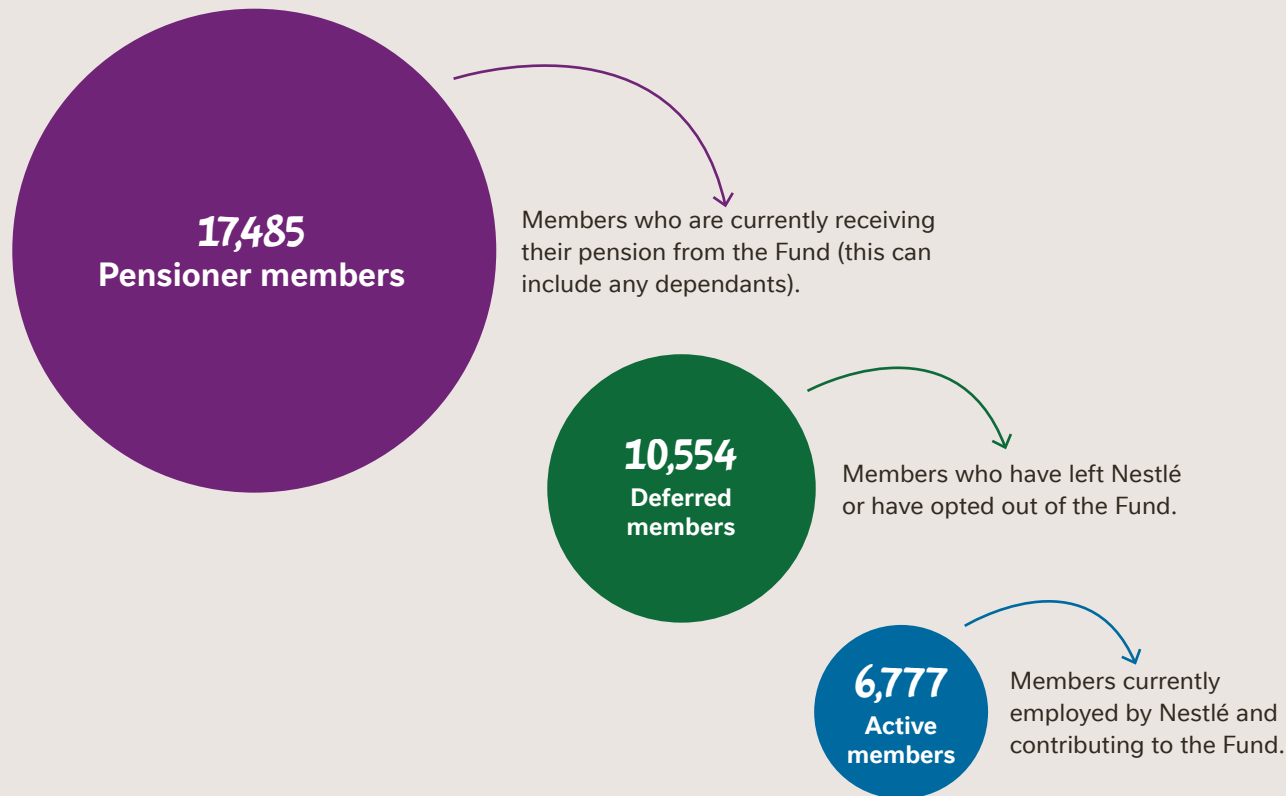
The Pensions Team is always looking to hear from you and we'd love to know what you think of the information we send you. To share your thoughts, take two minutes to complete our short online questionnaire at bit.ly/nestle-pensioner-survey



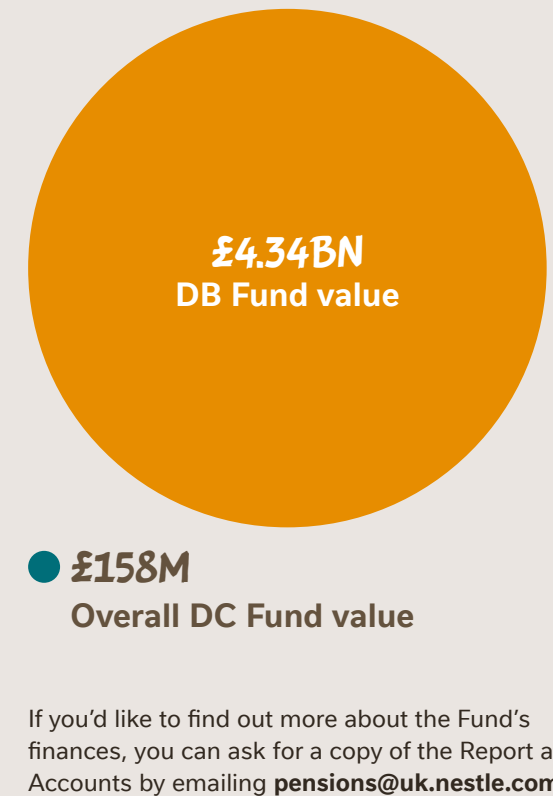
About your Fund

Here's a breakdown of who 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: All figures are as at 30 September 2022. They do not include additional voluntary contribution investments held on behalf of members.

Other useful contacts

MoneyHelper

MoneyHelper offers free and impartial guidance on pensions, as well as other money-related issues. Visit [moneyhelper.org.uk](https://www.moneyhelper.org.uk) or call **0800 011 3797**

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 [thepensionsregulator.gov.uk](https://www.thepensionsregulator.gov.uk) for help and information

ScamSmart

FCA's ScamSmart website provides lots of useful information about how to spot a scam, how to check that what you are being offered is legitimate, and what to do if you think you've been the victim of a scam. Visit [fca.org.uk/scamsmart](https://www.fca.org.uk/scamsmart)

Unbiased

If you're thinking about making a decision about your pension, it's always a good idea to take professional advice first. You can find an independent financial adviser in your area at [unbiased.co.uk](https://www.unbiased.co.uk)

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



Write to us at:
Nestlé Pensions
1 City Place
Gatwick
RH6 0PA
United Kingdom



Call us on:
020 8667 6363



Email us at:
pensions@uk.nestle.com



Visit the website at:
[nestlepensions.co.uk](https://www.nestlepensions.co.uk)

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