



Pensions News 2024

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

Changes to your Trustee Board

Updates on the Fund and how it works

Updates from the Pensions Team

Chair's welcome

Welcome to Pensions News, 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.

About the Fund

The next full actuarial valuation of the Fund is due as at 31 December 2024 and, in the years between valuations, we carry out a funding update to check the 'health' of the Fund.

Our latest update as at 31 December 2023 shows that the Fund retains a healthy funding position. You can read the headline figures of the latest funding update, and how this compares to last year's funding position, on **pages 7 and 8**.

We'll update you on the results of the valuation at 31 December 2024 once it is complete.

We're also keeping a close eye on the carbon emissions of the companies the Fund invests in. Find out where we are in our journey towards our net-zero ambition on **page 9** and on our responsible investment pages at nestlepensions.co.uk/pensioner/responsible-investing

About your Trustee Board

Last year, we let you know that we planned to expand the Trustee Board to 10 members – with five Trustees appointed by Nestlé and five appointed from Fund members.

We were delighted to welcome Luke Doubt to the Trustee Board this August as a Company-Appointed Trustee – you can find out more about Luke on **page 5**. We still have one Company-Appointed Trustee vacancy on the Board and we'll update you once this position has been filled.

Building knowledge and working well as a team are critical elements of our job as Trustees. We also take our statutory and governance responsibilities seriously and attend regular training sessions to develop our skills. In June this year, the Trustees attended a workshop focusing on our ways of working, and how we make decisions as a Board – including how to take account of neurodiversity. Further development sessions are planned for December 2024 and June 2025.

About your Pensions Team

After careful review and consideration, Nestlé Pensions have decided it is in the best interests of Fund members to move to a new administration system. This will help make our administration processes more efficient and secure. The Pensions Team is working hard in the background on the large and complex task of moving to the new system, which will take many months. We'll get in touch with you once it has taken place.

Our administration platform isn't the only thing that's moving – the Pensions Team, along with the rest of the Gatwick office, moved from City Place to their new home at Park House South in Crawley. Find out more about the move on **page 14**.

As always, we hope you enjoy reading your Pensions News.



Steve Delo
Chair of the
NUKPF Trustee Board

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Useful Fund documents

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 9](#).

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 finance 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/pensioner/privacy-policy

Looking after your pension

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

Our Trustee Board is made up of Trustees appointed by Nestlé, known as Company-Appointed Trustees, and Trustees appointed from active and pensioner members known as Member-Nominated Trustees. 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 our advisers, and the Nestlé Pensions Team, we make sure that the Fund's assets are invested appropriately and as securely as possible, and that member benefits are paid correctly and on time.

Learn more at [nestlepensions.co.uk/pensioner/your-trustees](https://www.nestlepensions.co.uk/pensioner/your-trustees)



Your current Trustees

Member-Nominated Trustees



Marcus Barry
Pensioner member



Belinda Eddington
Active member*



David Baxter
Pensioner member



Richard Rowden
Active member*



Tom Nixon
Active member*

Company-Appointed Trustees



Malcolm Burridge
Active member*



John Chilman
Independent Trustee



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



Luke Doubt
Active member*

Luke joins us as our newest Company-Appointed Director.

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

Changes to your Trustee Board

In last year's newsletter, we let you know that we were aiming to increase the size of the Trustee Board to ten – five Member-Nominated Trustees and five Company-Appointed Trustees.

Continued changes in legislation and governance mean that trustees of all pension schemes have had to take on more responsibilities. So we could carry out our duties at the level you'd expect from us, we decided to create two new Trustee positions.

We're delighted to share that we've been able to fill the new Company-Appointed Trustee position and welcomed Luke Doubt to the Trustee Board from 1 August 2024. You can find out more about Luke and the skills and experience he brings with him to the role of Trustee opposite.

We still have one vacant Company-Appointed Trustee position and we'll update you once this position has been filled.

Find out more
about the Board
and each of your
Trustees at:



Scan me!

[nestlepensions.co.uk/
pensioner/your-trustees](https://nestlepensions.co.uk/pensioner/your-trustees)

Looking after your pension (continued)

Introducing your new Company-Appointed Trustee, Luke Doubt.

As the Beverages Controller for Nestlé Professional Europe, Luke is the financial support to the Swiss team who look after Nestlé's Out Of Home Coffee business across Europe. He works mainly with the Nescafé and Starbucks brands and has been in post since 2021.

Luke has always worked in the food and beverages sector. He first joined Nestlé in 2012, starting in Purina supporting Supply Chain, before becoming UK Business Controller. He also helped bring the Starbucks brand into Nestlé Professional, both here in the UK and across Europe.

Luke hopes to bring the skills he's built up in Finance to his role as a Trustee to ensure the right decisions are made to protect the Fund and serve its members well. He was appointed by the Company in August 2024.



How your pension works – the Fund's financial health

On the next few pages, we'll focus on what makes your Nestlé pension tick.

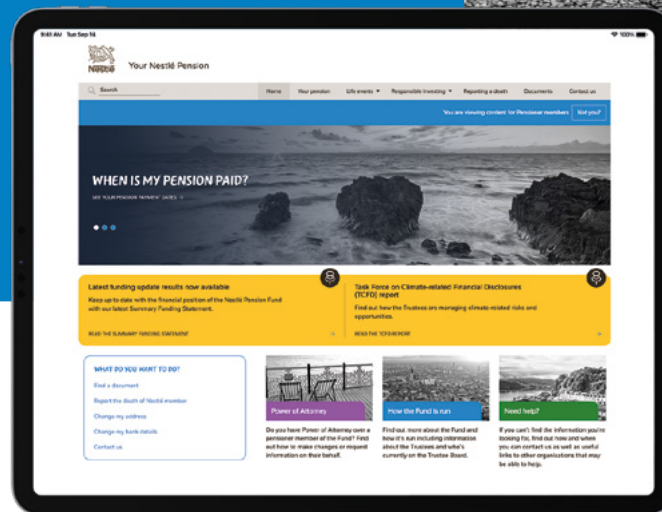


Find helpful information on the Nestlé Pensions website

The Nestlé Pensions website has information about how your pension increases and includes details about what actions you might need to take regarding your Nestlé pension at different life stages. For example, if you're moving house, getting married or divorced, or your Power of Attorney status changes.

With a dedicated section for pensioner members like you, the website is a great place to go if you have questions about your Nestlé pension.

You can find the pensioner section at nestlepensions.co.uk/pensioner



How your pension works – latest funding update

Measuring and monitoring the Fund's financial health, and making appropriate decisions for the future as a result, is a key part of our job as Trustees.

A full actuarial valuation – or financial health check – of the DB sections of the Fund takes place every three years. This compares the total value of the Fund's assets with its liabilities.

The last full valuation took place as at 31 December 2021 which means the next one will be complete as at 31 December 2024. We'll update you on the results when they are available.

In the years between valuations, the actuary provides a funding update so we can monitor how the Fund's finances are doing. The latest funding update was completed as at 31 December 2023 and you can read the headlines below.

Funding update as at 31 December 2023



Valuation as at 31 December 2021



The Fund's assets were more than its liabilities as at 31 December 2023



● Assets

The money the Fund has available.

● Liabilities

The estimated amount of money the Fund needs to be able to pay the benefits members have already earned.

● Funding level

This shows how much of the Fund's liabilities are covered by its assets.

How your pension works – latest funding update (continued)

What does the chart show?

The chart on **page 7** shows that on 31 December 2023, there was an estimated £130m surplus in the Fund. This represents a funding level of 103%, which is generally seen as a healthy funding position for the future.

Rising interest rates meant that the Fund's assets have fallen significantly since the 2021 valuation, reducing the value of the government- and corporate-bond investments it holds. But higher interest rates also meant that the value of the Fund's liabilities fell too – as the Fund doesn't need to hold as much money now to meet future pension payments. This means the Fund is still fully funded and still has a strong funding position.

While it's important to remember that this summary funding statement is a snapshot, and we expect the financial position to change each year, it has remained relatively stable in 2024 so far.

The next full actuarial valuation is due as at 31 December 2024. We'll update you on the latest funding position when the results are available.

The funding position has remained relatively stable in 2024.

You can read the full version of the latest summary funding statement at nestlepensions.co.uk/pensioner/documents/member-communications



How your pension works – responsible investing

The money in pension schemes like the Fund is invested to help it grow. Responsible investing is a way of setting an investment strategy that aims to make positive investment returns (to help the money to grow), while at the same time taking into account environmental, social and governance (ESG) issues when making investment decisions.

Responsible investing

In last year's newsletter, we told you about our new responsible investing pages at nestlepensions.co.uk/pensioner/responsible-investing

These pages set out:

- What responsible investing is,
- Our own approach to responsible investing,
- How we manage climate change risk in the Fund, and
- The Fund's net-zero ambition.

Read our TCFD report

You can find out more about the Fund's climate emission measures and targets in our Taskforce for Climate-related Financial Disclosures (TCFD) report at nestlepensions.co.uk/pensioner/how-the-fund-is-run



Our net-zero ambition

An important element of our responsible investment strategy is our net-zero ambition. But what does this mean for a pension fund? Pension funds don't manufacture or transport products so our 'direct' carbon emissions are relatively low. However, pension funds invest in companies that do manufacture and transport products (among other things) and so they do have 'indirect' emissions produced by the companies they invest in. We monitor the carbon emissions of the companies we invest in and try to influence those companies to reduce them. Our overall ambition is to reach net zero portfolio emissions by 2050.

Where are we now on our way to net zero?

We've also set ourselves an interim target that by 2027, 60% of the Fund's financed emissions will be from companies with a verified Paris-aligned temperature pathway for shares in publicly traded companies listed on stock exchanges and some other types of assets.

For now, 29% of the financed emissions for the DB section are in companies with a verified Paris-aligned temperature pathway.

Company news

Nestlé Gold Blend recyclable refill pack

In May this year, Nestlé introduced its first paper refill pack for Nescafé Gold Blend.

Compared with its traditional 200g glass coffee jars, this innovative paper refill pack reduces packaging weight by 97%. And, once the refill pack is empty, it can be easily recycled through kerbside collection.

The launch builds on Nescafé's earlier success with introducing recyclable in-store refill pouches in 2022 and demonstrates its ongoing commitment to sustainable packaging and Nestlé's goal of reducing its use of virgin plastic by one third by 2025.

In addition to improving the sustainability of its packaging, Nescafé is also striving to make coffee farming more sustainable. Now all coffee used in Nescafé products made in the UK is 100% responsibly sourced, ensuring that every cup of Nescafé can help make a difference.

Ingrid Hayes, Marketing Director of Nescafé Soluble Coffee at Nestlé UK and Ireland said, "We're thrilled to introduce Nescafé's first paper refill pack. We are dedicated to driving positive change and offering more sustainable choices while offering the same great coffee and the iconic rich aroma that people love."

The 150g paper refill packs are available exclusively at Tesco.



Accessible QR codes

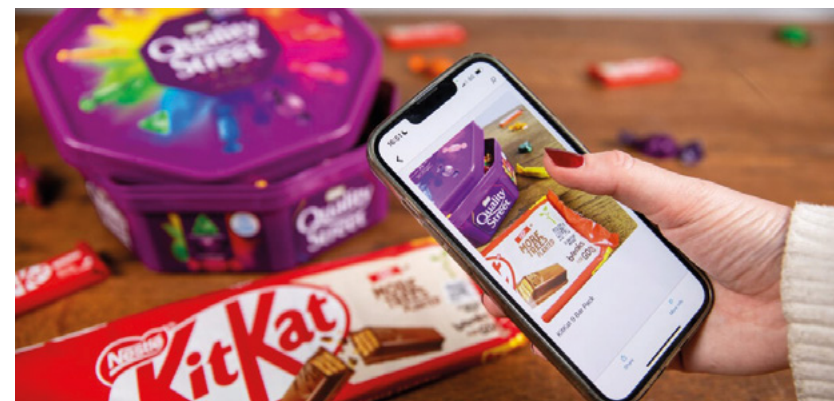
Nestlé Confectionery is trialling Accessible QR codes on two of its most popular brands – KitKat and Quality Street – to help shoppers with sight loss access product information more easily.

The innovative QR codes, powered by Zappar technology, allow blind and partially sighted shoppers to easily retrieve essential product information.

Shoppers will be able to scan the Accessible QR codes on their phones using existing apps already used by the blind and partially sighted community, meaning there's no need for any additional downloads.

When they scan the enhanced QR codes, shoppers will now receive structured information tailored to their specific needs, which includes details about allergens, dietary requirements and usage instructions. The information is presented using standard accessible features, such as large fonts and audible screen reader technology, ensuring accessibility for all.

To find out more, visit [nestle.co.uk/en-gb/media/news](https://www.nestle.co.uk/en-gb/media/news)



Company news

(continued)

Nestlé Confectionery's Christmas lineup

Nestlé is delighted to unveil its Christmas 2024 range, offering a wonderful mix of new and much loved treats to bring joy to shoppers during the festive season.

Quality Street Matchmakers Hazelnut

Enjoy this new, nutty Matchmakers flavour made up of crunchy pieces of hazelnut in a blend of milk and dark chocolate, with no artificial colours, flavours or preservatives.

Nestlé Confectionery's Christmas selection boxes

KitKat fans will be delighted to find something new under their tree this Christmas. The new KitKat selection boxes pull together everyone's KitKat favourites: two KitKat 4 Finger bars, KitKat Chunky Peanut Butter, KitKat Chunky, KitKat Chunky White and KitKat Santa.

If you prefer white chocolate, you can go for the Nestlé White Selection Box instead. It's packed with Milkybar, Lion Bar Duo White, Smarties White and two KitKat Chunky White bars.

After Eight

And finally, in After Eight world, the After Eight Winter Fondant bag returns, made up of iconic London landmark shaped mint fondant sweets. For a luxurious gift, the After Eight Mint Collection wraps up five delicious peppermint chocolates with a range of textural sensations for the ultimate mint chocolate collection.



Company news

(continued)

Traceable cocoa ingredients

Nestlé's favourite chocolate brands made in the UK, including KitKat, Quality Street, Aero, After Eight, Yorkie, Rolo and Munchies, are now using cocoa mass guaranteed to have been sourced from cocoa-farming families that are part of Nestlé's Income Accelerator Programme. This means Nestlé is able to track the entire journey of cocoa beans from groups of farms to factory, while keeping them physically separated from other cocoa sources.

Building on the work of Nestlé's Cocoa Plan, the Income Accelerator programme was created in January 2022 to help close the living-income gap of cocoa-farming families and reduce child labour risk. After a successful test with 10,000 cocoa-farming families, 2024 marks the first year of a 'scale up phase', with 30,000 families now enrolled in the programme across Côte d'Ivoire and Ghana.

By 2030, the programme aims to reach an estimated 160,000 cocoa-farming families in Nestlé's cocoa supply chain to create impact at scale.

The programme incentivises and supports cocoa-farming families to enrol their children in school, implement good agricultural practices, engage in agroforestry activities, and diversify their incomes.

To find out more, visit:

[nestle.co.uk/en-gb/media/pressreleases](https://www.nestle.co.uk/en-gb/media/pressreleases)



Pension news

Here's a round-up of the latest relevant news from the world of pensions.

Winter fuel payment update

As you are aware, the winter fuel payment payments will be changing this year. You will only be eligible for these payments if you receive pension credit.

What is pension credit?

Pension credit is a benefit available to some pensioners on lower incomes. Currently, there are hundreds of thousands of people who are eligible, but who don't claim it, who are also missing out on the winter fuel payment.

How pension credit works

You'll need to be over the state pension age and how much you get will depend on your circumstances, including your income and your living situation.

The easiest way to check eligibility is by using the government's pension credit calculator, at [gov.uk/pension-credit-calculator](https://www.gov.uk/pension-credit-calculator)

What else you need to know

You can apply for pension credit up to four months before you reach state pension age, and any time after you reach it, but bear in mind applications can only be backdated by three months.

Keep your pension safe

To make sure you're keeping your pensions safe, it's important to be aware of scams and 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/pensioner/pension-scams](https://www.nestlepensions.co.uk/pensioner/pension-scams)

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

This means that the Pensions Team has put more measures in place to help protect our members from scammers.

Updates from the Pensions Team

The Pensions Team want to make sure you're getting the most from the Fund and your pension, so here are some useful updates and reminders from them.

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 as this lets us know 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**.

Please note – the Nestlé pensions team will process changes to bank accounts in the first week of the month, to make sure they are set up ready for the next monthly payroll. If we receive notification of your change in bank details after that time, they will be processed ready for the following month's payroll.

Power of attorney

If you have power of attorney on behalf of a pensioner and need to make any changes or request any information for them, 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, please get in touch with us using our contact details on the **back page**.

Our new home – Park House

In October last year, Nestlé Pensions moved into our new office at Park House in Crawley.

The new office is only a short distance from our previous home of nearly 11 years at City Place and provides improved facilities and technology for our ways of working both now and in the future.

If you'd like to write to us, please use our new address, which you'll find in full on the **back page** – our email address and phone number remain unchanged.

NEXT MONTH'S PENSION PAYMENT DATE WILL BE 20 DECEMBER 2024

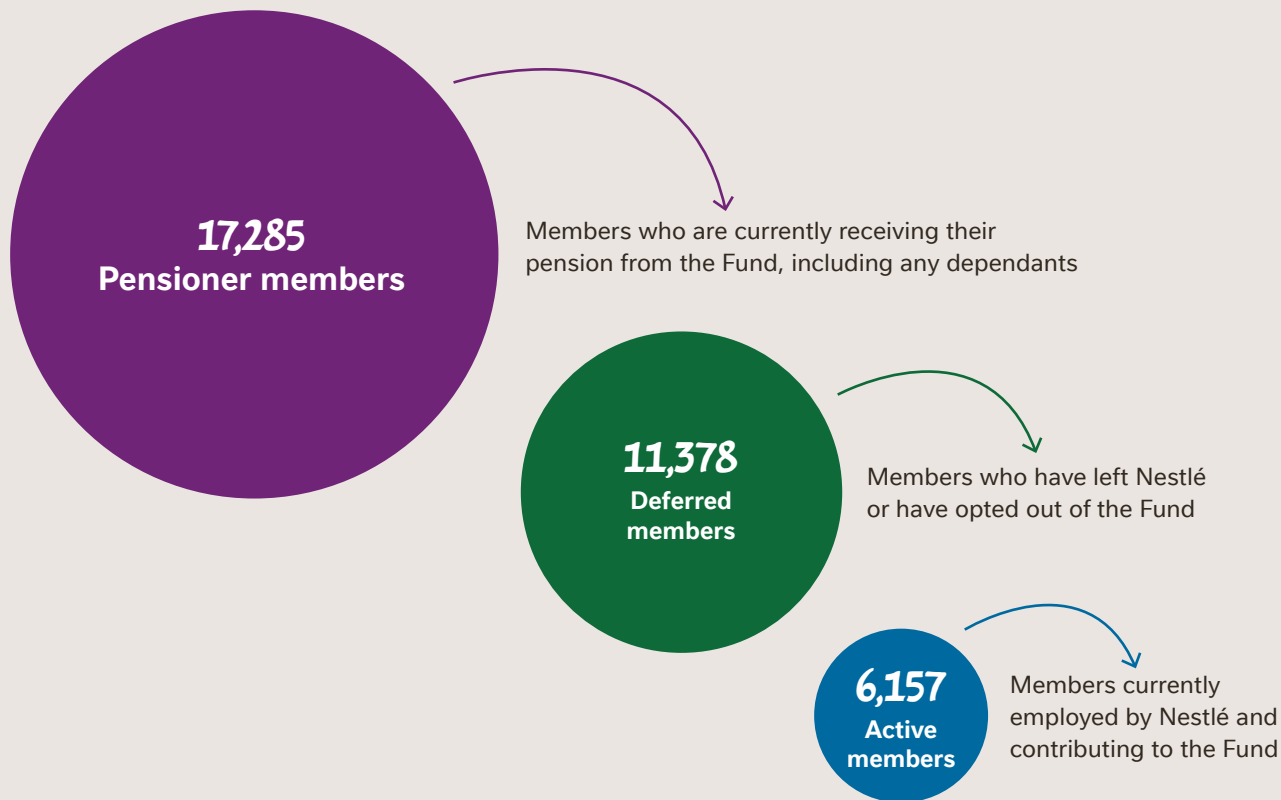
You can see the rest of your pension payment dates at nestlepensions.co.uk/pensioner/payment-dates

If you have any problems, or questions about your pension payment dates, please get in touch with us using our contact details on the **back page**.

About your Fund

Here's 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?



● **£249.7M**
Overall DC Fund value

If you'd like to find out more about the Fund's finances, you can ask for a copy of the Report and Accounts by emailing pensions@uk.nestle.com

Note: All figures are as at 30 September 2024. They include additional voluntary contributions (AVCs) investments held on behalf of members, but not any AVCs held with external providers.

Other useful contacts

MoneyHelper

MoneyHelper is a government-backed service that offers free and impartial guidance on pensions, as well as other money-related issues. Find out more at 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. For help and information, visit thepensionsregulator.gov.uk

ScamSmart

The Financial Conduct Authority's (FCA) ScamSmart website provides lots of useful information about how to spot a scam, how to check that what you're being offered is legitimate, and what to do if you think you've been the victim of a scam. Visit fca.org.uk/scamsmart

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



Write to us at:

Nestlé Pensions
Park House South
Manor Royal
Crawley
RH10 9AD



Call us on:

020 8667 6363



Email us at:

pensions@uk.nestle.com



Visit the website at:

nestlepensions.co.uk

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We are not responsible for the content of any external websites we may link to in this document.