

Nestlé UK Pension Fund

Pensioner



Pensions News 2019

Time to update you on the Fund

From the Trustees of the Nestlé UK Pension Fund

Read the latest company news

See what you can do on your
pensioner member website

Find out how you could be
a Trustee



Contents

Valuation update	4
Membership update	4
GMP equalisation update	5
Pensioner website	5
Useful information	7
Company news	8
Your Trustees	10
Could you be a Trustee?	11



Steve Delo
Chairman of the NUKPF
Trustee Board

Chairman's welcome

Hello and welcome to your Nestlé UK Pension Fund (the Fund) newsletter for 2019.

It's been another busy year for the Fund and, to make sure you're up to date with what's going on, we've made sure this newsletter is full of useful information and news that's relevant to you.

Below, you'll find a brief update on some of the key things the Trustees have been working on throughout the year along with some important reminders.

2018 valuation

The Trustees have been spending a lot of their time on the valuation process for the defined benefit sections of the Fund and have held numerous meetings with Nestlé and various advisers. The valuation process is still underway, but we will notify you when results are available. You can read more about this on page 4.

New website

In March this year we also saw the launch of our new website, which now contains information for pensioner and deferred members. As a pensioner member of the Fund, you can now find the following on our website:

- Your pension payment dates
- Useful forms and documents
- Your latest pensions newsletter
- Information on how to change your address or bank details and more.

Keep visiting the site to make sure you're updated with the latest news and information.



Is your Nomination Form up to date?

Your Nomination Form lets the Trustees know who you'd like to receive any cash sum that might be paid when you die. The Trustees will consider your Nomination Form when deciding who should receive this cash sum, so it's important to keep it updated.

If you die within five years of your retirement, your spouse or civil partner could also receive a pension when you die. However, if you do not have either, or you have been separated for more than two years, you can fill in a Dependant's Pension Application Form to nominate someone else to receive this benefit. The Trustees will then take this form into consideration when you die.

Remember, your death benefit cash sum is only payable if you die within five years of retirement. This is the 'five-year guarantee'. For more information on this, visit the website at nestlepensions.co.uk/pensioner



Steve Delo
(Chairman of the NUKPF Trustee Board)

Want to request a document?

You can find lots of useful documents on our website – but remember, you can also request copies of the following from Nestlé Pensions (contact details on the back page):

- Annual Report and Accounts
- Statement of Investment Principles (SIPs)
- DC Chair's statement
- Schedule of contributions
- Statement of Funding Principles

You can find all forms at
nestlepensions.co.uk/documents/forms



Valuation update

A full valuation of the Fund takes place every three years and the latest one, as at 31 December 2018 is still ongoing.

What is a valuation?

A valuation is a financial 'health check' of the defined benefit (DB) sections of the Fund (DB Core and DB CorePlus). The first step is to calculate the total value of the Fund's assets (the money it has available) at the valuation date. This amount is then compared with the Fund's liabilities (the estimated amount of money at the valuation date that the Fund needs, so in the future, it can pay members the benefits they have already earned up to the valuation date). The percentage of the liabilities covered by the assets is called the 'funding level'. If the funding level is below 100%, there is a deficit or shortfall to make up and if the funding level is above 100%, there is a surplus. If there is a shortfall the valuation signals if any action needs to take place.

The valuation also works out what contributions are needed to pay for benefits that will be built up in the future for DB Core and DB CorePlus members.

The latest valuation

The valuation process is still ongoing, and discussions between ourselves (the Trustees) and Nestlé continue. When the process is complete, we will produce a 'Summary Funding Statement' that sets out the results of the valuation, any changes from the previous year, and information about contributions from Nestlé to the Fund. We will make the Summary Funding Statement available online and will let you know when this is available.

Membership update

Below you can see the membership of the Fund at 31 December 2018.

Contributing members



Deferred members



Pensioner members



This includes all members of the Fund, however they are building up benefits, and compares with the membership at 31 December 2017.

GMP equalisation update

If, while you were a member of the Fund, you were ‘contracted out’ of the additional State Pension, you will have built up a Guaranteed Minimum Pension (GMP) with the Fund.

Following the outcome of a High Court case (Lloyds Trustees v Lloyds Bank) towards the end of 2018, all UK pension schemes with GMP-related benefits are required to ‘equalise’ their GMP benefits to eliminate differences between benefits built up by men and women. You may be affected if you were actively building up benefits in the Fund between May 1990 and April 1997.

The Trustees are currently looking into what it needs to do on this matter and we’ll write to you in 2020 if you are affected.

As well as looking into GMP equalisation, the Trustees are also working on a GMP rectification project where we’re seeking to make sure our GMPs are in line with HM Revenue & Customs requirements. When this work is completed we will communicate with anyone affected.

Your website

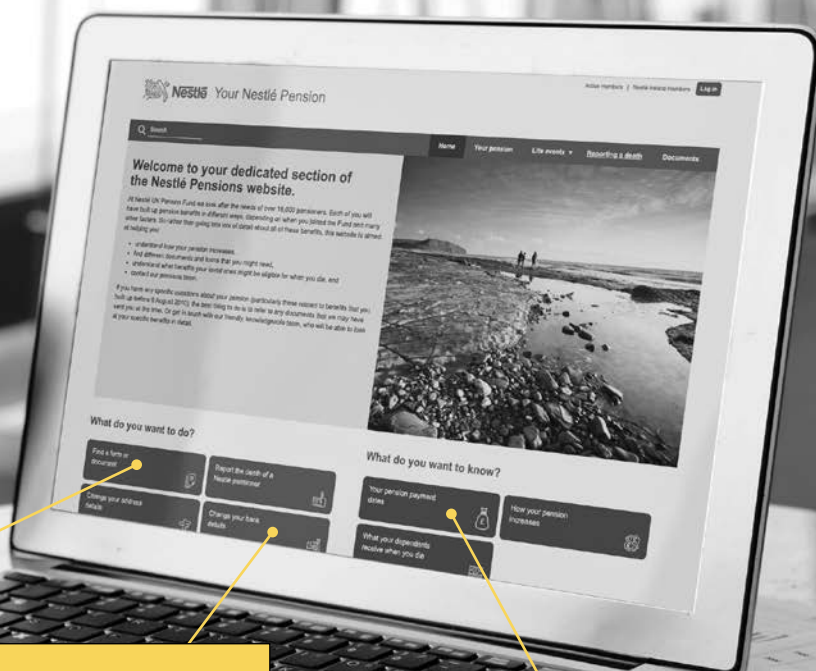
Remember to visit the pensioner section of the Fund website for information on your pension pay dates, how to update your details, and to access forms and documents.

There’s lots of useful information and news on there already, but we’ll be developing the site even more over the coming year, so let us know what you’d like to see on there. Use the contact details on the back page to get in touch with your feedback and suggestions.

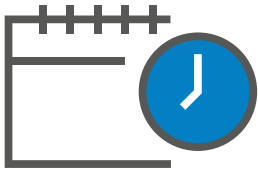
Find forms and documents

Find out what to do if your circumstances or details change

See your pension payment dates







Pension payment dates 2019

Your next pension payment date will be 30 January 2020.

Remember, you can see your pension pay dates on the website at nestlepensions.co.uk/pensioner



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



Keep your address and bank 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 addresses on the back page.



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 either the original Power of Attorney document or a certified copy.

Please visit nestlepensions.co.uk/pensioner to find out who can certify a copy of the 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.

Nestlé moves towards a recyclable future

It's a YES! for recyclable paper packaging

Thanks to industry-leading work done at the research and development centre in York, Nestlé's 'YES!' snack bars are now wrapped in recyclable paper.

The breakthrough came after Nestlé's UK-based experts found a way to use a recyclable paper wrapper in a high-speed 'flow-wrap cold seal' packaging line.

This innovation has been a significant project for Nestlé – Stefano Agostini, Nestlé CEO, said: "It's an important step as Nestlé works to make all of its packaging recyclable or reusable by 2025."

So, 'YES!' bars are not only packed with wholesome ingredients, they're also packed in sustainable and easy-to-recycle wrappers. To coincide with the introduction of this new paper wrapper, Nestlé will also be introducing two new tasty flavours to the YES! range:

- Banana & Pecan; and
- Luscious Raspberry & Chia Seeds fruit bar.



Nestlé confectionery announces recycling partnership with TerraCycle

As well as making breakthroughs in producing new recyclable packaging alternatives, Nestlé has also found new ways to recycle its existing confectionery packaging thanks to a partnership with TerraCycle.

Flexible plastic packaging (including pouches, bags and wrappers from single bars, blocks and multipacks) will now be accepted through a Confectionery Recycling Programme. The programme will take this accumulated waste and turn it into new plastic items. Nestlé UK has been trialling the programme since May 2019 and its arrival in Ireland is also coming soon.

Whether you've just enjoyed a KitKat, Milkybar or Aero, your wrappers can now be deposited in local TerraCycle bins in the UK. Waste will then be gathered by TerraCycle, sent to a specialist recycler and turned into plastic pellets. These pellets are then sold to manufacturers who use them to create new, solid plastic products, like chairs and storage boxes.

This partnership with TerraCycle, and the launch of the Confectionery Recycling Programme, provides an immediate opportunity for the recycling of existing Confectionery packaging, and takes Nestlé even closer to achieving its goal of making all packaging recyclable or reusable by 2025.

Visit [terraCycle.co.uk/confectionery](https://www.terraCycle.co.uk/confectionery) to find your local TerraCycle bin.



Product spotlights – it's all about the bubbles



AERO Bliss hits the shelves

The Nestlé confectionery team is proud to introduce AERO Bliss – a new premium version of AERO. AERO Bliss offers a selection of individually wrapped chocolates housed in beautiful watercolour boxes that are perfect for sharing.

These luxurious boxes of chocolate come in three varieties:

- Mixed Selection (including Milk Chocolate, Salted Caramel and Praline flavoured chocolate);
- Milk Chocolate; and
- Salted Caramel (Exclusive to TESCO).

AERO Bliss smooth milk chocolates are filled with a cocoa, salted caramel or praline aerated centre with the addition of delicate crispy pieces and were developed in response to chocolate lovers looking for a light, yet indulgent, luxury product. The velvety, whipped bubbles inside the chocolate shell melt effortlessly in the mouth making for a light yet luxurious treat, just like the famous melt-in-the mouth sensation of the original AERO.

You can find AERO Bliss in stores nationwide.



How do you take your bubbles?

With the aim of helping families build healthy hydration habits, Nestlé has created Nestlé PURE LIFE Sensations – a range of slightly flavoured sparkling waters with tailored fizz for all the family.

The drink comes in three delicious flavours, each of which has their own level of carbonation. This means there's a flavour, and a fizz, to suit everyone!

- Lively Lemon (strong bubbles);
- Marvellous Mango & Pineapple (medium bubbles); and
- Silky Strawberry (light bubbles).

These refreshing drinks are not only calorie free and made without artificial flavours, but they also come in 100% recyclable bottles! You can find PURE LIFE Sensations in ASDA and Iceland stores across the country.

Your Trustees

The Fund is managed by a trustee company, Nestlé UK Pension Trust Ltd.

The trustee company has an overall duty to run the Fund in line with its Trust Deed and Rules and current trust and pensions law. It acts through its board of directors, who are generally called 'Trustees'.

There are currently eight Directors on the Board of the trustee company – four appointed by Nestlé UK and four nominated by active and pensioner members (known as Member-Nominated Trustee Directors).

Your current Trustees are:



Barbara Firth

Barbara is a Member-Nominated Trustee Director, pensioner member of the Fund.



David Baxter

David is a Member-Nominated Trustee Director, pensioner member of the Fund.



Irene Donaldson

Irene is a Nestlé-Appointed Trustee Director, employee member of the Fund.



John Chilman

John is a Nestlé-Appointed Trustee Director, and an independent Trustee.



Malcolm Burridge

Malcolm is a Nestlé-Appointed Trustee Director, employee member of the Fund.



Marcus Barry

Marcus is a Member-Nominated Trustee Director, employee member of the Fund.



Steve Delo

Steve is a Nestlé-Appointed Trustee Director, independent Trustee and Chair of the Fund's Trustee Board.



Steve Robinson

Steve is a Member-Nominated Trustee Director, employee member of the Fund.

Could you be a Trustee?

We're looking for active and pensioner members of the Fund to become Trustees in 2020.

We want our Trustee Board to represent our diverse membership and we'd welcome applications from a variety of our members who are interested in having a say in how the Fund is run.

Do you want to do your part in safeguarding the interests of members? Do you want to take the chance to use your talents on a Board responsible for managing £5bn of assets (the value of a FTSE 100 company)?

Being a Trustee is a big responsibility and provides an exciting opportunity to work as part of a team and put the skills and experience you've gained throughout your Nestlé career to good use.

Interested?

If you're interested in becoming a Trustee, you'll have the opportunity to come along to an information day where we'll explain the role further to you and you'll be able to ask any questions you might have. We'll start advertising the roles in early 2020 so look out for more on this then!



Look out for more information about what it means to be a Trustee Director, and how to apply, in the post and online.

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



Write to:

Nestlé Pensions
1 City Place
Gatwick
RH6 0PA
United Kingdom



Tel:

020 8667 6363



Email:

pensions@uk.nestle.com



Visit the website:

nestlepensions.co.uk



Whilst every care has been taken to provide up-to-date and accurate information in this newsletter, we cannot guarantee that inaccuracies will not occur. Nestlé UK Limited and the Trustees will not be held responsible for any loss, damage or inconvenience caused as a result of any inaccuracy, error or omission. If there is any conflict between this newsletter and the Trust Deed and Rules of the Nestlé UK Pension Fund, the Trust Deed and Rules (as amended from time to time) take precedence.

Although every effort is made to ensure information is up to date at the time of writing, subsequent changes to the Fund's documentation and/or applicable legislation may subsequently affect its correctness or completeness.

This document is not intended to provide a definitive description of any benefits payable from the Fund or a comprehensive statement of the law on any issue. Nothing in this document confers any legal entitlement to benefits.

Nothing in this document constitutes financial advice and you should not rely on information in this document in making any decisions about your benefits or Fund membership. We recommend that you consider taking independent financial advice before making any such decisions.

This document contains references to the Trustees. These are the Directors of the Nestlé UK Pension Trust Ltd.