



Nestlé UK Pension Fund

Pensions News 2025

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

DB contribution rates decreasing

Your pension choices

Latest valuation results



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Chair's welcome

Welcome to Pensions News, this year's newsletter from the Trustees of the Nestlé UK Pension Fund (the Fund). In it, you'll find out more about who looks after the Fund, and what's been going on over the past year.

About the Fund



In the Defined Benefit (DB) sections

The latest valuation has shown that the cost of providing future pensions in DB Core and DB CorePlus has gone down. This means that employee and employer contributions in both DB sections will decrease from 1 January 2026. Find out more about what this might mean for you on **pages 4 and 5**, with more detail in your *Change in DB contributions* booklet.

The valuation also revealed the Fund increased its funding position to 105%. While the Fund is currently in surplus, market conditions change all

the time, so the funding position could change by the next valuation. As such, the surplus acts as a valuable buffer to help protect the Fund against future market volatility. You can read the headline figures from the valuation on **pages 6 to 8**.

For members with Defined Contribution (DC) savings

Following a review earlier this year, and with advice from our DC investment advisers, our Defined Contribution Committee (DCC) made some changes to the underlying funds in the Fund's default investment strategy, the Lifetime Pathway fund, in July. These changes aim to maximise investment growth in the Growth phase of the Lifetime Pathway fund. Read about this change on **page 11**.

Changes to your Trustee Board

Not only is Malcolm Burrridge, one of our Company-Appointed Trustees, stepping down at the end of December, but some of our Member-Nominated Trustees' terms of office are also coming to an end in 2026. You'll find our goodbye to Malcolm, along with more information about these changes, on **pages 9 and 10**.

From the Pensions Team

Last year we let you know that the Fund will be moving to a new administration platform to help make our administration processes more efficient and secure. The Pensions Team is due to complete this complex migration next year – we'll get in touch with more information once it has taken place.

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



Steve Delo
Chair of the
NUKPF Trustee Board

Valuation update – DB contributions are decreasing

Every three years, the Trustees of the Nestlé UK Pension Fund (the Fund) carry out an actuarial valuation as a 'health check' on the funding position of the Fund. As part of each valuation, the Fund Actuary reviews how much it costs to pay for future pensions in the Fund. The latest valuation as at 31 December 2024 shows that the cost of providing future pensions has gone down since the previous valuation as at 31 December 2021.

This means that employee and employer contributions will decrease from 1 January 2026.

Any contributions you make on earnings above the pensionable earnings cap into DC Core aren't affected by this change to DB contribution rates.

What are the new DB contribution rates?

	Employee		Employer		Total	
	From	To	From	To	From	To
DB Core	7.3%	4.6%	14.9%	9.3%	22.2%	13.9%
DB CorePlus	10.8%	8.0%	14.9%	9.3%	25.7%	17.3%

More about the valuation results

- For more information about the change in contributions, read the *Change in DB contributions* booklet.
- For other key headlines from the latest valuation, read **pages 6 to 8**.
- Read the full summary funding statement at nestlepensions.co.uk/documents/fund-documents

It's important to remember that conditions are likely to be different again when we carry out the next valuation, which means contribution levels could change then too. The next valuation is due to take place as at 31 December 2027.

What will the reduced contribution rates look like for me?

You can use the modeller at nestlepensions.co.uk/login to see your personalised figures. We've also prepared some tables showing what the reduced contributions will look like across a range of salaries in the *Change in DB contributions* booklet.

Does making lower contributions mean I'll build up less defined benefit (DB) pension?

No. You'll carry on building up your pension in DB Core and DB CorePlus in the same way as now. Find out more in the *Change in DB contributions* booklet.

What should I do if I want to change how I'm building my pension?

If you don't want to do anything, you'll continue to build up pension in DB Core or DB CorePlus and your contributions will decrease on 1 January 2026.

If you want to make any changes, you'll find an overview of the options available for changing how you build up your pension on pages 4 and 5 of the *Change in DB contributions* booklet.

Valuation update – your choices

Because contributions for DB Core and DB CorePlus are decreasing, now is a great time to review your pension choices. Could you use the difference in the amount you'll be contributing after 1 January 2026 to boost your pension?

Over the next couple of pages, you'll find a summary of the available options along with who's eligible for them. To make any of the changes you're eligible for, you can use our online forms. Simply log into 'Your account' at nestlepensions.co.uk/login and go to the 'Make a change' section of your dashboard, where you can submit an online form.

If you haven't registered for an online account yet, you can download any forms at nestlepensions.co.uk/forms



Explore these and other changes you could make in your *Change in DB contributions* booklet.

Your DB options –

Switch sections



You could switch to **DB CorePlus** if you're eligible



You could switch to **DB Core**



Find out more about how your pension builds up in different sections of the Fund at nestlepensions.co.uk/pension-overview

Your DC options –

DC contributions above the pensionable earnings cap



Change your DC contributions above the pensionable earnings cap (currently £51,647)

Additional voluntary contributions (AVCs)



Start making or change your AVCs

Thinking of making a change?

Consider taking advice from a regulated financial adviser. Find one at unbiased.co.uk

Valuation update – keeping you updated on the financial position of the Fund

Following completion of the actuarial valuation that takes place every three years, the Fund produce a summary funding statement. It provides you with an update on the funding position of the defined benefit (DB) sections of the Fund – DB Core and DB CorePlus.

Over the next few pages, we'll share the main headlines from the latest summary funding statement as at 31 December 2024 – you can read the full version at nestlepensions.co.uk/documents/fund-documents

Funding position as at 31 December 2024

As at 31 December 2024, the Fund's assets were £3,720 million and its liabilities were £3,550 million. This represents a surplus of £170 million and a funding level of 105%.

Valuation results as at 31 December 2024



Funding update as at 31 December 2023



The Fund is still in surplus

The Fund's assets were more than its liabilities as at 31 December 2024.

The cost of providing future benefits

The latest valuation also shows that the cost of providing future benefits for DB members has fallen – this means contributions will be decreasing from 1 January 2026. Find out more on **pages 4 and 5** and in the *Change in DB contributions* booklet.

Assets

The money the Fund has available.

Liabilities

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

Funding level

This shows how much of the Fund's liabilities are covered by its assets – if the funding level is above 100%, there is a surplus.

Valuation update – keeping you updated on the financial position of the Fund (continued)

The first chart on **page 6** shows that, on 31 December 2024, the Fund had a surplus of £170 million. This is a £40 million improvement on the surplus of £130 million we reported in the last summary funding statement as at 31 December 2023, which we've shown in the second chart.

A combination of factors, including changes in financial conditions, have resulted in this improvement in the Fund's financial position during this period.

It's important to remember that these figures are a snapshot of the Fund's financial position, which depends on changes in global financial markets. Because of this, the Fund's financial position is likely to change from year to year and valuation to valuation.

The next valuation is due as at 31 December 2027 – we'll share those results with you once that valuation is complete.

In the years between valuations, the actuary carries out annual funding updates – we'll also share the results of these in summary funding updates once they're ready.

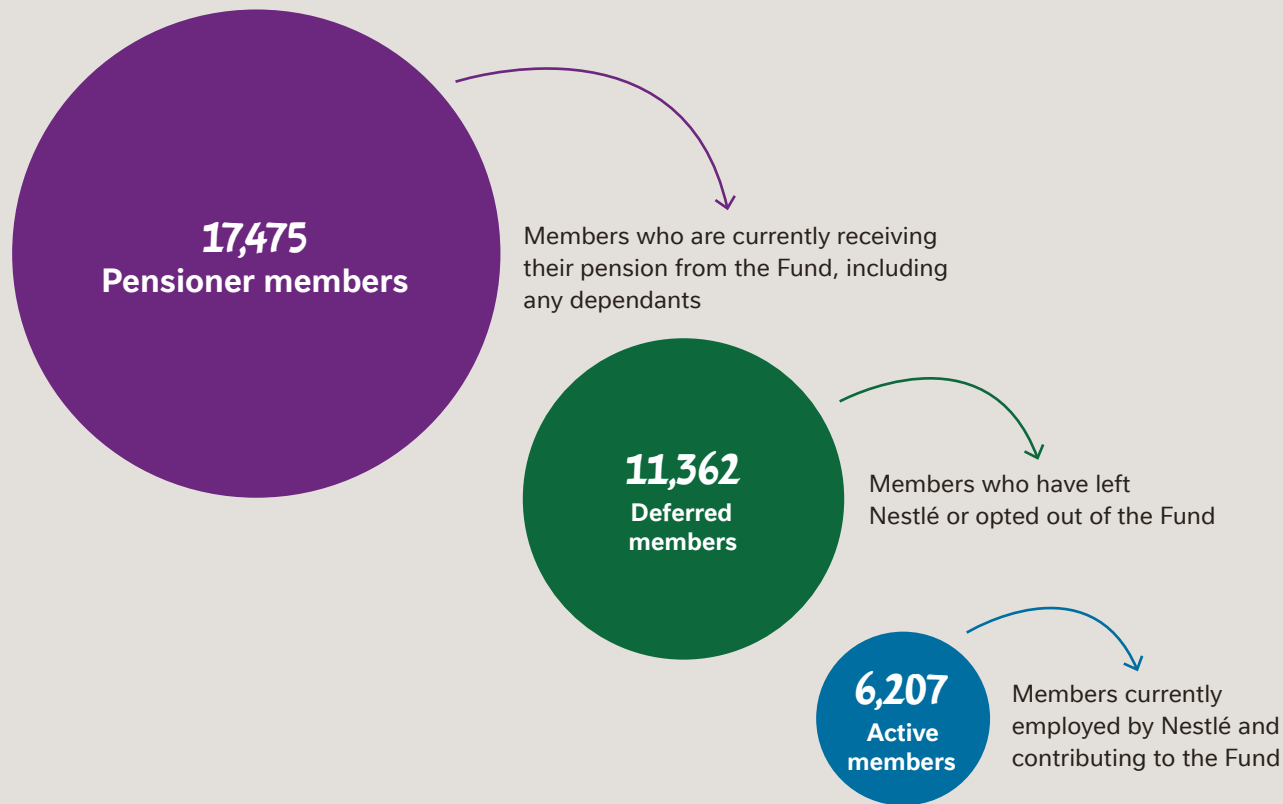
Read the full version of the latest summary funding statement at nestlepensions.co.uk/documents/fund-documents



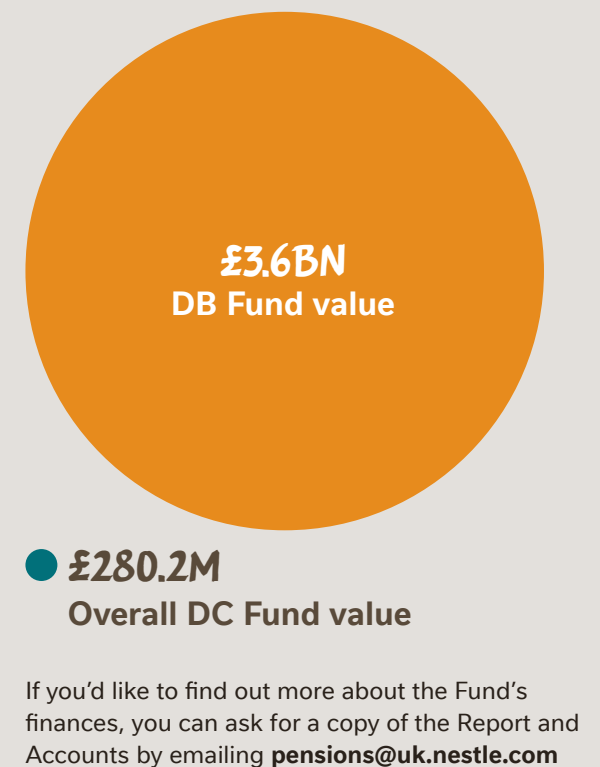
About the Fund

Here's a breakdown of who else is in the Fund with you, along with the latest DB and DC Fund values.

Who's in the Fund?



What's in the Fund?



Note: All figures are as at 30 June 2025. They include additional voluntary contributions made within the Fund, but not any made on behalf of members to external providers.

Looking after your pension

The Fund is managed by a Trustee Company called Nestlé UK Pension Trust Ltd, which acts through its Board of Directors.

We're generally referred to as the Trustees and we have a duty to run the Fund in line with its Trust Deed and Rules and current pensions law. Some of us are appointed by Nestlé, so we're known as Company-Appointed Trustees. Others are appointed from active and pensioner members, so we're known as Member Nominated Trustees. We're 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.

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
Stepping down
31 December 2025



John Chilman
Independent Trustee



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



Luke Doubt
Active member*

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

Thank you and goodbye

A word from Steve Delo, Chair of the Trustee Board.



It's always sad to say goodbye to a valued colleague, and Malcolm is no different. One of our longest serving Company-Appointed Trustees, he'll be retiring from Nestlé after 25 years at the end of December, and stepping down from the Trustee Board at the same time.

I have had the pleasure of working with Malcolm since he joined nearly 10 years ago. In that time, both the Fund and the pensions landscape in general have undergone significant change. Malcolm's detailed and professional approach helped the Board to deliver several projects that enabled us to meet

those changes and helped us ensure excellent outcomes for the Fund and its members, while also making an immense contribution to the Fund's governance as Chair of its Governance and Compliance Committee. I'd like to thank him on behalf of the Board and wish him a long and very happy retirement.

Changes to your Trustee Board

In addition to Malcolm's departure from the Trustee Board, we also have Member Nominated Trustees whose terms of office will be coming to an end in 2026. This means there will be some vacancies to fill on the Trustee Board in the future – so, if you're interested in becoming a Trustee, look out for more information about how to apply next year.

*Find out more about the Board
and each of your Trustees at:*
nestlepensions.co.uk/your-trustees



↑ Scan me!



How your pension works – DC investment changes

As part of its responsibilities, the Trustees' Defined Contribution Committee (DCC) monitors the performance of the Fund's DC investments and proposes new investment options for the Trustees to consider.

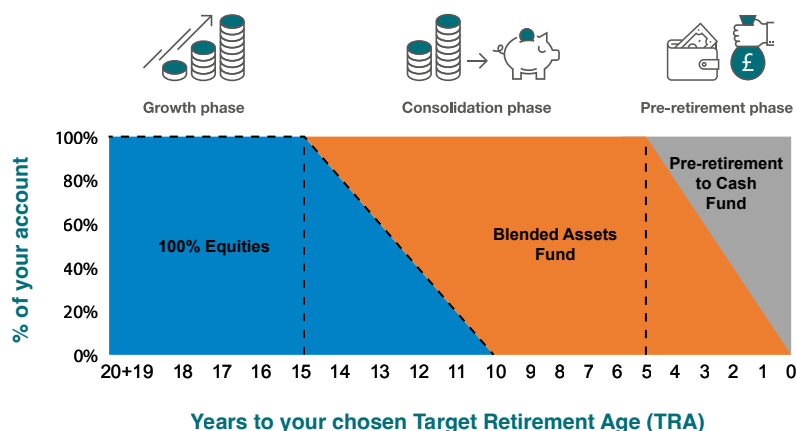
The changes

Following a review earlier this year, and with advice from the Fund's investment advisers, the DCC made some changes to the underlying funds in the Lifetime Pathway fund in July 2025.

The changes are designed to maximise investment growth up to 15 years before retirement and into the Consolidation phase of the Lifetime Pathway fund. Broadly, they consist of changing the allocation of the Growth fund so it is 100% invested in equities (shares). This has also enhanced the geographical diversification of the fund.

During the switch between the Growth and Consolidation phases, 5% of your savings will move each quarter from the Growth fund to the Blended Assets fund. So, at 10 years before your Target Retirement Age, 100% of your savings will be invested in the Blended Assets fund.

This graph shows the make-up of the underlying funds in the Growth and Consolidation phases since the changes took effect in July:



What is the DCC?

The DCC also monitors governance matters for the DC sections of the Fund (DC Core and DC Start), and tracks the administration of those sections. Find out more about the role of the DCC and the other Trustee Committees that make up the Trustee Board at nestlepensions.co.uk/your-trustees

What action do I need to take?

You don't need to do anything, but it's a good idea to review your investments from time to time to make sure your pension savings are invested in the right place for you and that your Target Retirement Age still fits your current retirement plans.

How does the Lifetime Pathway fund work?

In the Lifetime Pathway fund, your contributions are automatically invested and gradually switched to more stable investments the closer you get to retirement. This takes place in three phases – Growth, Consolidation and Pre-retirement.

Find out more about the Lifetime Pathway at nestlepensions.co.uk/lifetime-pathway



Find out more about the Fund's DC investments in our newly updated investment pages at nestlepensions.co.uk/investments

Pensions news

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

The government is raising the normal minimum retirement age

The government is making changes to the normal minimum retirement age – this is the earliest age you can start taking your pension, apart from in specific circumstances such as serious ill health.

From 6 April 2028, the normal minimum retirement age will increase from 55 to 57. The impact this change could have on members of the Fund will depend on a number of factors, including which section you're a member of.

You can find out more at nestlepensions.co.uk/ready-to-retire

Keep your pension safe

To make sure you're keeping your pension safe, it's important to be aware of scams and make sure you know the warning signs. Pension scams can take many different forms, but they usually involve transferring your pension out of an existing arrangement, like the Fund, and into investment opportunities which can appear tempting and legitimate.

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 from a regulated financial adviser – you can find one at unbiased.co.uk

Read more about pension scams and how to protect yourself from them on our dedicated scams page at nestlepensions.co.uk/pension-scams

We've signed up to the Pledge

The Pensions Team has signed up to The Pensions Regulator's Scam Pledge. This means they've put even more measures in place to protect our members from scammers.

ScamSmart

You can find even more information about how to spot a scam, check what you're being offered is legitimate, and what to do if you think you've been a victim of a scam at the Financial Conduct Authority's (FCA's) ScamSmart website. Visit fca.org.uk/scamsmart



THE PENSIONS TEAM – HERE TO HELP

The more you know about your Nestlé pension, the easier it is to make the right decisions for your future. Here are some ways you can get to know your Nestlé pension better.

Book your place on a Pension Spotlight session

If you'd like to find out more about your Nestlé pension or you're close to retirement and need a little guidance, there's a Pension Spotlight session for you!

- **Getting to know your pension** – join the Pensions Team for an in-depth introduction to your Nestlé pension.
- **Getting ready for retirement** – leave this session with a practical five-step checklist to help you plan how much retirement income you might need, and your options for taking your pension.

We run DB and DC versions of each Pension Spotlight session every quarter. To check dates and availability for the next series of sessions, and to book your place, go to nestlepensions.co.uk/pension-spotlight

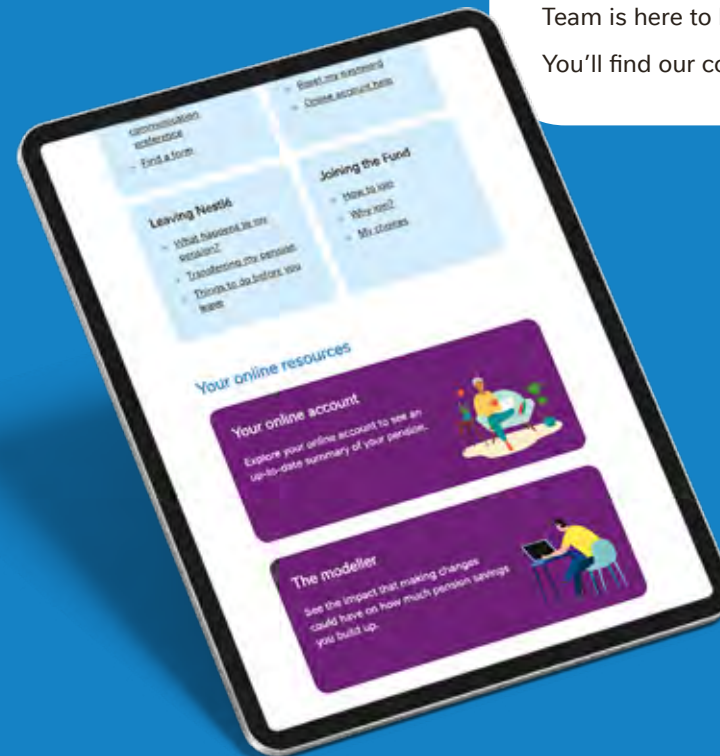
Find answers to your questions

Whether you want to know more about how your pension builds up, need information about how to transfer a pension, or would like to find out how to register for an online account, you'll find answers to your questions at nestlepensions.co.uk/find-answers

There's no such thing as a daft question about pensions!

If you can't find the answer to your question at nestlepensions.co.uk/find-answers, the Pensions Team is here to help, so get in touch.

You'll find our contact details on **page 15**.



Don't miss out! Nearly 600 of your colleagues have already attended a Spotlight session since they began in 2023!

Other help and support

Don't forget, there's also other help and support available for your wider financial wellbeing.

nudge your way to better financial wellbeing

Worried about your financial wellbeing? Don't forget that, along with all our Nestlé colleagues in the UK and Ireland, you have access to **nudge** – our financial wellbeing provider.

Take a financial health check and create a personalised action plan to help you improve your financial wellbeing, and read articles, stories and posts about the things that matter most to you financially.

And remember, thanks to single-sign on, it's easier than ever to access **nudge** – just go to nestlefinancialwellbeing.co.uk using your Nestlé device.

Not registered for **nudge** yet? Go to nestlefinancialwellbeing.co.uk and register with your Nestlé email.

nudge



Free money and pensions guidance from MoneyHelper

MoneyHelper can help make your money and pension choices clearer with free, impartial guidance and further trusted support if you need it.

The service joins up money and pensions guidance to make it quicker and easier to find the right help by bringing together the support and services of three government-backed financial guidance providers – the Money Advice Service, the Pensions Advisory Service and Pension Wise.

Whether you need guidance to understand your spending habits, you'd like to find out how to build up savings or clear debt, or you just want some guidance on planning ahead for major purchases, talk to MoneyHelper for free.

Find out more at moneyhelper.org.uk or call 0800 011 3739.



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

Useful Fund documents

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

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

- **DC Chair's Statement**

The DC Chair's Statement tells you how the DC Start and DC Core sections of the Fund are managed, as well as the costs and charges that apply to your DC investments.

- **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.

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

Contact us

For more information about the Fund, you can:



Write to us at

Nestlé Pensions
Park House South
Manor Royal
Crawley
RH10 9AD
United Kingdom



Call us on

020 8667 6363



Email us at

pensions@uk.nestle.com



Visit the website at

nestlepensions.co.uk



Sharing the cost

To share some of the risk involved that comes with providing a defined-benefit pension, a contribution-sharing arrangement exists between members of the Fund and Nestlé. Find out more about this arrangement at nestlepensions.co.uk/sharing-cost



Legal notice

While we make every effort to make sure that all of the information in this document is as accurate and up to date as possible, it is a summary and we can't guarantee that there won't be any inaccuracies in it. Nestlé UK Limited and the Directors of the Nestlé UK Pension Trust Ltd (the Trustees) will not be held responsible for any loss, damage or inconvenience that may happen because of an inaccuracy, error or omission. If there are any differences between the information in this document and the Trust Deed and Rules of the Nestlé UK Pension Fund (the Fund), the Trust Deed and Rules (which are amended from time to time) will always take priority.

Any changes to the Fund's documentation and/or any laws that apply to the Fund that take place after this document was published could also affect how accurate or complete the information in it is.

This document is an overview and you shouldn't rely on it to give you a definitive description of the benefits you may get from the Fund, nor is it a comprehensive statement of the law on any issue. Nothing in this document grants you any legal entitlement to any benefits from the Fund.

By law, we can't give you financial advice, so you shouldn't rely on the information in this document when you make decisions about your benefits or your membership of the Fund. If you're thinking about making any changes, you should consider taking independent financial advice first.

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

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](https://www.nestlepensions.co.uk/privacy-policy)

