



# Summary Funding Statement

November 2025

## Keeping you updated on the financial position of the Fund

Following completion of the actuarial valuation every three years, the Trustees of the Nestlé UK Pension Fund (the Fund) produce a summary funding statement, like this one. It provides you with an update on the funding position of the defined benefit (DB) sections of the Fund — DB Core and DB CorePlus.

This statement summarises the results of the recently completed actuarial valuation of the Fund as at 31 December 2024.

This latest valuation reveals the Fund has a funding surplus of £170 million.

While the Fund is currently in surplus, market conditions change all the time, which means the funding position of the Fund could change by the time of the next valuation. As such, this surplus acts as a valuable buffer to help protect the Fund against future market volatility.

You can find out more about this valuation on **page 2** of this summary funding statement, along with answers to some commonly asked questions on **page 3**.

As part of each valuation, the Fund Actuary also works out what contributions are needed to pay for the benefits that will build up in the future for members of DB Core or DB CorePlus. This latest valuation shows that the cost of providing future benefits for DB members has fallen since the previous valuation as at 31 December 2021. This means that contribution levels for both members and the Company will be decreasing from 1 January 2026. If you're currently building DB pension in the Fund, you can find out more about the reduction in contribution rates in our Change in DB contributions **booklet**.

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.

**Steve Delo**  
Chair of the Trustee Board  
On behalf of the Trustees of the Nestlé UK Pension Fund

### What is a valuation?

A valuation is a financial 'health-check' of the DB sections of the Fund. It's carried out by independent advisers and helps us monitor the Fund's finances and compares the total value of the Fund's assets with its liabilities.

The percentage of the liabilities covered by the assets is called the funding level. If the funding level is below 100%, there's a deficit, or shortfall, to make up. If the funding level is over 100%, there's a surplus.

If there's a shortfall, the valuation would also set out any actions the Trustees would need to take as a result.

The funding level as at 31 December 2024 was 105%, which means there was a surplus in the Fund.

# Valuation and 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 first chart above shows that, as at 31 December 2024, the Fund had a surplus of £170 million. This represents a £40 million improvement on the surplus of £130 million we reported in the previous summary funding statement, as at 31 December 2023, which is shown in the second chart.

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

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

## Definitions

The Trustees employ an independent expert called an actuary to provide regular checks on the Fund's finances. These involve calculating the Fund's liabilities.

### The Fund's liabilities

The value of the Fund's liabilities is the amount of money that is expected to be enough to continue to pay out all the pensions that members have already built up in the Fund, based on assumptions about the future. Examples of these assumptions include how long people will live, what inflation will be, and what returns the Fund will earn on its investments.

Nobody knows exactly how much money will be needed to pay everybody's pensions. This will depend on how actual experience compares with the assumptions made.

### The Fund's assets


The assets of the Fund come from contributions paid by members and the Company, together with investment growth.

The assets of the Fund are held separately from the Company, and the Fund's Trustees are responsible for investing this money.

The DB sections' assets are held in a common fund — they're not held in separate pots for each member. Pensions are paid to retired members out of this common fund.

# Some common questions answered

## What if the Fund has to wind up?


 Nestlé UK Ltd and the Trustees don't intend to wind up the Fund. We do, however, monitor what would happen if the Company were no longer able to support the Fund. In this unlikely event, a wind-up of the Fund would begin and the responsibility for paying members' pensions would be transferred to an insurance company.

As part of their ongoing responsibilities, the Trustees monitor the cost of securing all members' benefits with an insurance company. The most recent estimate provided by our independent advisers looked at the position on 31 December 2024 at the time of our latest valuation. This estimate showed that, at that date, the Company would have to make an additional final contribution of about £160 million to make sure all members' pensions could be paid in full by an insurance company.

This is a deficit compared with the funding position shown on **page 2**, but this is fairly common amongst similar UK pension schemes.

In practice, if Nestlé UK were unable to pay further contributions to the Fund, for example in the case of insolvency, then we expect that further funds would become available under the guarantee of £1.9 billion provided by Nestlé's parent company, Nestlé SA.

## Is my pension protected?


 If Nestlé were to become insolvent and there wasn't enough money to secure members' benefits in full with an insurance company — even allowing for the guarantee from Nestlé SA — then members may not receive their full pension benefits.

To help members in this situation, the government set up the Pension Protection Fund. If the Fund were to enter the Pension Protection Fund, the amount members receive may be less than the pension benefits they had built up in the Fund.


The Pension Protection Fund rules are complex, but broadly the amount it will pay depends on the rules of the Fund, whether a pension is already being paid, a member's age, and the type of benefit.

Find out more about the Pension Protection Fund at [ppf.co.uk](https://ppf.co.uk). You can also write to them at **PO Box 254, Wymondham, NR18 8DN**, email them at [information@ppf.co.uk](mailto:information@ppf.co.uk) or call them on **0345 600 2541** from 9.00am to 5.30pm, Monday to Friday. If you're calling from overseas, you'll need to dial **+44 (0)20 8633 4902**.

## What about my additional voluntary contributions?

 The Fund holds additional voluntary contributions for members who make them — these are invested separately from your main contributions.

## Is there anything else I need to know?

 Regulations require us to confirm that, since the last summary funding statement we shared with you, the Company hasn't taken any money out of the Fund and The Pensions Regulator hasn't intervened in the running of the Fund. We're able to confirm this.

The Fund has also published its latest ***Task Force on Climate-related Financial Disclosures (TCFD) Report***.

## Thinking of making any changes? Speak to an adviser

If you're thinking of making any changes to any of your pension arrangements, you should speak to a financial adviser before taking any action. To help find a regulated financial adviser, go to **unbiased.co.uk**

By law, we're not allowed to give you financial advice.

## Are your details up to date?

Please let us know if your contact details have changed.

You can also change the people you've nominated to receive benefits if you die by completing a **Nomination Form** or a **Dependant's Nomination Form**.

## Legal notice

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

The Trustee Board is made up of Trustees appointed by Nestlé and appointed from the Fund's members. The Board is also supported by the wider Nestlé Pensions Team and a range of professional advisers.

Find out more about your Trustees, who they are, and what they do at **nestlepensions.co.uk/your-trustees**

## Contact us



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