

DC Governance Statement

The Default Arrangement

The Plan is a Qualifying Plan for auto-enrolment purposes.

Members' funds are invested on Aon's delegated investment platform, through which funds are managed by Aon Investments Limited (AIL), formerly known as Hewitt Risk Management Services Limited (HRMSL). The Trustees have designated the Aon Managed Retirement Pathway Fund as the default arrangement for the Plan. The default arrangement is provided for new members who have not made an active choice with regards to their choice of investment.

The default arrangement is structured as a series of target date funds designed to provide members with an appropriate balance between risk and return over their lifetime, accessed through a single investment fund which provides exposure to a diversified mix of assets at retirement. The default arrangement aims to provide members with the potential for good levels of growth during the accumulation of their retirement savings through exposure to equities, and then to gradually diversify their investments from 15 years before their target retirement date. This is achieved by automatically moving members' funds from return-seeking assets, which aim for long-term growth in excess of inflation, to a more broad-based and lower risk asset mix as members approach their target retirement date.

Details of the objectives and the Trustees' policies regarding the default arrangement can be found in a document called the 'Statement of Investment Principles' (SIP). The Plan's SIP is attached however the aim is set out here for ease of reference:

The aim of the default arrangement is to provide members with the potential for good levels of growth during the accumulation of their retirement savings though exposure to equities, and then to gradually diversify their investments in the years approaching retirement, to reduce volatility and provide a broad base of assets from which members can choose the type of benefits they wish to take.

Investment strategy review

The Trustees, with assistance from its investment advisers, undertook a review of the Plan's investments during the period, including formally reviewing the default arrangement. The review concluded on 13th May 2022.

After a review of the membership profile of the Plan, the Trustees are satisfied that the default arrangement remains appropriate and in line with the Trustees' investment objectives. The review entailed an analysis of the Plan's membership, with a particular focus on adequacy of projected member outcomes at retirement.

In February 2022, the UBS Global Equity Climate Transition Fund was introduced into the growth phase of the Aon Managed Retirement Pathway Fund, replacing an existing world equity fund. The new fund aims to protect members assets from the risks associated with climate change and the transition to a low carbon economy in a just and fair way.

Requirement

The Trustees are required to design the default arrangement in members' interests and keep it under review. The Trustees need to set out the aims and objectives of the default arrangement and take account of the level of costs and the risk profile that are appropriate for the Plan's membership.

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Investment strategy review (continued)

Within the default arrangement, members are invested in the Aon Managed Diversified Asset Fund. Throughout the year, changes were made to the Fund's underlying allocations as a result of market volatility. Following broad equity market falls in early Q1, the allocation to equities was increased in March. The Fund's exposure to gold, emerging markets and high yield bonds was also increased. The allocations to bonds and cash were reduced to reflect changes in the medium-term outlook. In April 2022, the Janus Henderson ABS fund was introduced within the Fund's allocation to asset backed securities. During the second half of 2022 the allocation to equities and corporate bonds was reduced, reflecting the concern that equities and credit could fall further in value given the increased likelihood of a global recession.

Members are also invested in the Aon Managed Diversified Multi Strategy Bond Fund. In March 2022, the Fund's allocation to asset backed securities was increased and a second manager, Janus Henderson, was introduced to help provide additional diversification. Alongside this change, the allocation to absolute return bonds was reduced and the PIMCO Global Libor Fund was removed to help make the Fund more resilient to rising interest rates.

As investment decisions have been delegated to the investment manager, it is within the remit of AIL to make changes without the Trustees' approval. However, the Trustees typically review any changes made by AIL to the underlying asset allocation and managers used within the default arrangement and wider fund options available. Relevant information was provided on a quarterly basis through investment reports provided by AIL and discussed at each quarterly Trustee meeting.

The investment strategy is reviewed at least every three years. The next review is scheduled to take place by 13th May 2025.

Performance Monitoring

The Trustees have monitored the performance of the default arrangement against agreed benchmarks on a quarterly basis during the period. In broad terms, performance was deemed to be consistent with the aims and objectives for the funds.

The performance of the default arrangement is also reviewed quarterly against inflation targets, so the strategy can then be amended by either adjusting the de-risking period or amending the asset allocation at particular times depending on the relative performance, as described above.

Net Investment Returns

The net investment returns have been prepared having regard to statutory guidance. It is important to note that past performance is not a guarantee of future performance.

The Trustees are required to report on net investment returns for each default arrangement and for each non-default fund which Plan members were invested in during the Plan year. Net investment return refers to the returns on funds minus all member-borne transaction costs and charges.

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Net Investment Returns (continued)

Performance to 31st December 2021

Aon Managed Retirement Pathway Funds		Annualised returns (%)
Age of members in 2022	1 year	5 years
25	-7.6	5.8
45	-7.6	5.8
55	-8.9	4.3

Source: Aegon and Aon Investments Limited

Performance to 31st December 2022

Fund		Annualised returns (%)
	1 year	5 years
Aon Managed Short Term Inflation Linked Fund	4.0	2.1
Aon Managed Pre-Retirement Bond Fund	-29.4	-4.0
Aon Managed Liquidity Fund	1.2	0.5
Aon Managed Global Equity Fund	-6.0	6.3
Aon Managed Global Impact Fund*	-17.3	N/A
Aon Managed Property and Infrastructure Fund	-11.7	3.8
Aon Managed Diversified Multi Asset Fund	-8.4	1.0
Aon Managed Passive Corporate Bond Fund	-17.8	-1.6
Aegon BlackRock UK Equity Index Fund	-0.4	2.7
Aegon BlackRock World (ex-UK) Equity Index Fund	-9.4	8.9
Aegon BlackRock Emerging Markets Equity Index Fund	-10.5	0.5
Aegon HSBC Islamic Global Equity Index Fund **	-15.6	11.4

Source: Aegon and Aon Investments Limited

*Aon Managed Global Impact Fund was added to the Plan's default in January 2021, and as a self-select option in Q4 2021.

** Aegon HSBC Islamic Global Equity Index Fund was added to the plan as a self-select option in Q3 2022.

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Member Borne Charges and Transaction Costs

The member borne costs and charges consist of the following:

- Charges: these are explicit, and represent the costs associated with operating and managing an investment fund. They can be identified as a Total Expense Ratio (TER), or as an Annual Management Charge (AMC), which is a component of the TER;
- Transaction costs: these are not explicit and are incurred when the Plan's fund manager buys and sells assets within investment funds but are exclusive of any costs incurred when members invest in or sell out of funds.

The Trustees have set out the costs and charges that were incurred by members, rather than the employer, over the statement year in respect of each investment fund available to members. These comprise the Total Expense Ratio and insofar as we are able to, transaction costs.

The charges and transaction costs have been supplied by Aegon, the Plan's investment platform provider. Where transaction costs have been provided as a negative cost (profit), a floor of 0% has been used by the Trustees to avoid potentially understating the overall level of costs and charges.

The transaction costs shown below are calculated using the standardised method set by the Financial Conduct Authority.

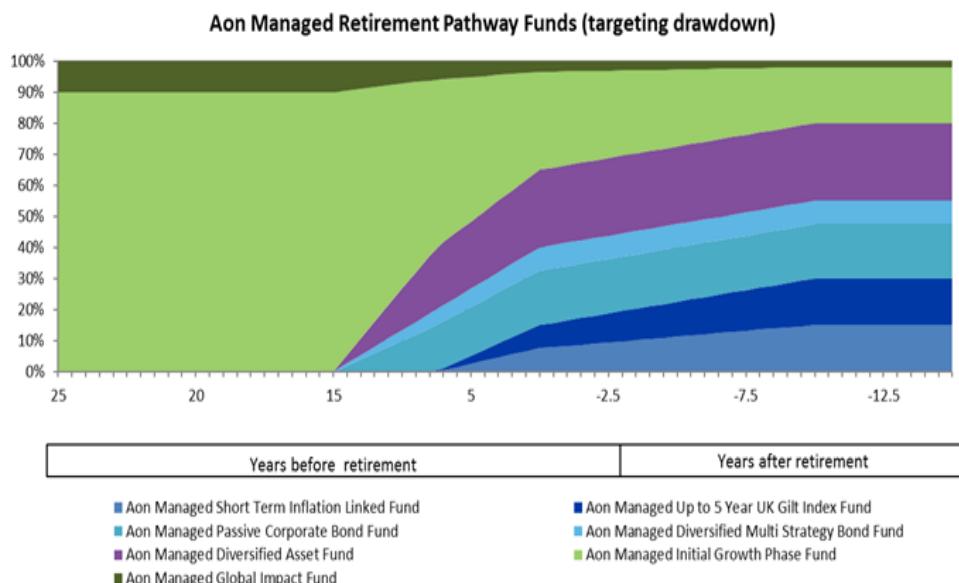
Requirement

The Trustees should regularly monitor the level of charges borne by members through the investment funds.

The Trustees are also required to confirm that the total costs and charges paid by any member in the default arrangement have not exceeded 0.75% p.a. (the charge cap) and produce an illustration of the cumulative effect of the overall costs and charges on members' retirement fund values as required by the Occupational Pension Schemes (Administration and Disclosure) (Amendment) Regulations 2018.

(i) Default arrangement – Aon Managed Retirement Pathway Fund

The Aon Managed Retirement Pathway Fund (targeting drawdown) automatically moves member's assets between different investment funds as they approach their target retirement date. This is illustrated in the chart below:



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Member Borne Charges and Transaction Costs (continued)

(i) Default arrangement – Aon Managed Retirement Pathway Fund (continued)

The TER that a member paid over the year therefore depended on their term to retirement. The TER ranged from 0.29% p.a. to 0.33% p.a., which was within the 0.75% p.a. charge cap for plans that are used for auto-enrolment.

Transaction costs ranged between 0.06% p.a. and 0.13% p.a., with the total cost associated with the Aon Managed Retirement Pathway Fund (targeting drawdown) being between 0.39% p.a. and 0.43%* p.a. The full list of TERs and transaction costs for the Aon Managed Retirement Pathway Funds are shown in Appendix 1.

*Note that the highest / lowest TERs and transaction costs shown above do not necessarily apply to the same Aon Managed Retirement Pathway Funds, hence the aggregate range may not be the sum of the highest / lowest TERs and transaction costs.

(ii) Self-select investment funds

In addition to the Aon Managed Retirement Pathway Fund members also have the option to invest in a further two ranges of target date funds targeting annuity or cash at retirement, and 12 individual funds.

The TERs and transaction costs for each of these are shown in the following tables:

Aon Managed Retirement Pathway Funds	TER % p.a.	Transaction Costs % p.a.	Total costs % p.a.
Aon Managed Retirement Pathway Fund (default targeting income drawdown)	0.29 – 0.33	0.06 – 0.13	0.39 – 0.43
Aon Managed Retirement Pathway to Annuity Fund	0.29 – 0.33	0.00 – 0.11	0.29 – 0.42
Aon Managed Retirement Pathway to Cash Fund	0.29-0.33	0.01 – 0.11	0.32 – 0.42

* The full list of TER's for the Aon Managed Retirement Pathway Funds are shown in Appendix 1.

Objective & Asset Class Based Funds	TER % p.a.	Transaction Costs % p.a.	Total costs % p.a.
Aon Managed Short Term Inflation Linked Fund	0.17	0.03	0.20
Aon Managed Pre-Retirement Bond Fund	0.29	0.00	0.29
Aon Managed Liquidity Fund	0.20	0.01	0.21
Aon Managed Global Equity Fund	0.25	0.05	0.30
Aon Managed Global Impact Fund	0.72	0.09	0.81
Aon Managed Property and Infrastructure Fund	0.46	0.10	0.56
Aon Managed Diversified Multi Asset Fund	0.30	0.19	0.49
Aon Managed Passive Corporate Bond Fund	0.18	0.04	0.22
Aegon BlackRock UK Equity Index Fund	0.06	0.07	0.13
Aegon BlackRock World (ex-UK) Equity Index Fund	0.06	0.00	0.06
Aegon BlackRock Emerging Markets Equity Index Fund	0.25	0.00	0.25
Aegon HSBC Islamic Global Equity Index Fund	0.47	0.01	0.48

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Member Borne Charges and Transaction Costs (continued)

(iii) Illustrations of the cumulative effect of cost and charges

In order to help members understand the impact that costs and charges can have on their retirement savings, the Trustees have provided three illustrations of their cumulative effect on the value of typical Plan members' savings over the period to their retirement.

The illustrations have been prepared having regard to statutory guidance, selecting suitable representative members, and are based on a number of assumptions about the future which are set out in the notes below the illustrations.

Members should be aware that such assumptions may or may not hold true, so the illustrations do not promise what could happen in the future and fund values are not guaranteed. Furthermore, because the illustrations are based on typical members of the Plan they are not a substitute for the individual and personalised illustrations which are provided to members in their annual Benefit Statements.

Each illustration (A, B and C) is shown for a different type of member invested in the Aon Managed Retirement Pathway Fund which is the default investment arrangement. Illustrations are shown as a chart and a table as follows:

- Each Chart shows a projection of the member's retirement savings at retirement age, with and without costs and charges applied.
- As the projected retirement savings are dependent on investment returns as well as the level of costs and charges, we have also included some comparison figures with other investments in the tables. For comparison purposes, we also show the projected retirement savings if the typical member were invested in the fund within the range offered by the Plan which attracts the lowest charges – the Aegon BlackRock World (ex UK) Equity Index, and the fund which attracts the highest charges – the Aon Global Impact Fund.

All projected fund values are shown in today's terms, and do not need to be reduced further for the effect of expected future inflation.

Requirement

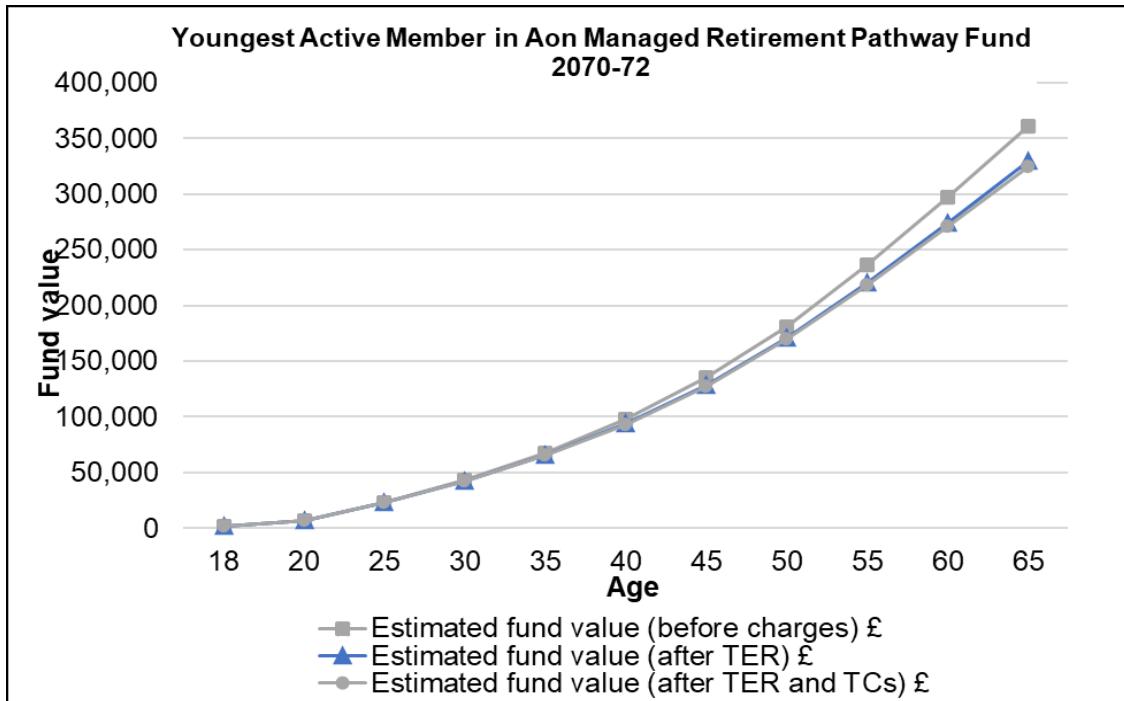
From 6 April 2018 the Occupational Pension Schemes (Administration and Disclosure) (Amendment) Regulations 2018 introduced new requirements relating to the disclosure and publication of the level of costs by the trustees and managers of a relevant scheme. These changes are intended to improve transparency on costs.

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Member Borne Charges and Transaction Costs (continued)

(iii) Illustrations of the cumulative effect of cost and charges (continued)

Illustration A: is based on an active Plan member who has 47 years to go until their retirement at age 65. The member has a current salary of £21,500, current fund value of £,750 and future contributions of 12% of salary. The member is invested in the Aon Managed Retirement Pathway Fund 2070-2072.



Projected Pension Account in today's money

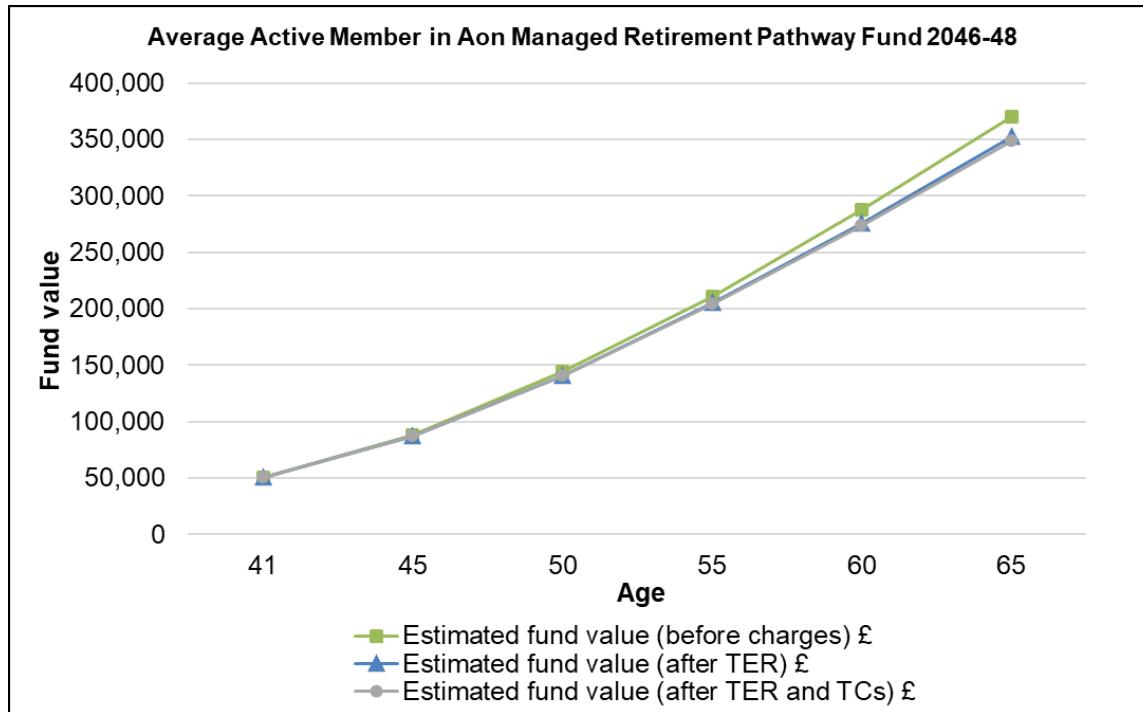
Age	Aon Managed Retirement Pathway Fund			Aon Managed Global Impact Fund			BlackRock World (ex UK) Equity Index Fund		
	Before charges	After charges	Effect of charges	Before charges	After charges	Effect of charges	Before charges	After charges	Effect of charges
	£	£	£	£	£	£	£	£	£
18	1,750	1,750	0	1,750	1,750	0	1,750	1,750	0
20	7,230	7,200	30	7,200	7,130	70	7,180	7,180	0
25	23,150	22,840	310	22,880	22,160	720	22,720	22,660	60
30	42,870	41,880	990	42,000	39,760	2,240	41,500	41,320	180
35	67,280	65,050	2,230	65,340	60,400	4,940	64,220	63,810	410
40	97,510	93,260	4,250	93,800	84,570	9,230	91,680	90,910	770
45	134,940	127,600	7,340	128,520	112,900	15,620	124,890	123,590	1,300
50	181,280	169,400	11,880	170,880	146,090	24,790	165,050	162,960	2,090
55	236,430	218,170	18,260	222,550	184,970	37,580	213,610	210,430	3,180
60	297,010	270,400	26,610	285,590	230,540	55,050	272,330	267,630	4,700
65	361,000	324,230	36,770	362,490	283,920	78,570	343,340	336,580	6,760

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Member Borne Charges and Transaction Costs (continued)

(iii) Illustrations of the cumulative effect of cost and charges (continued)

Illustration B: is based on an active Plan member who has 24 years to go until their retirement at age 65. The member has a current salary of £53,250 and has future contributions of 12% of salary. The member has a current fund value of £50,750 and is invested in the Aon Managed Retirement Pathway 2046-2048.



Projected Pension Account in today's money.

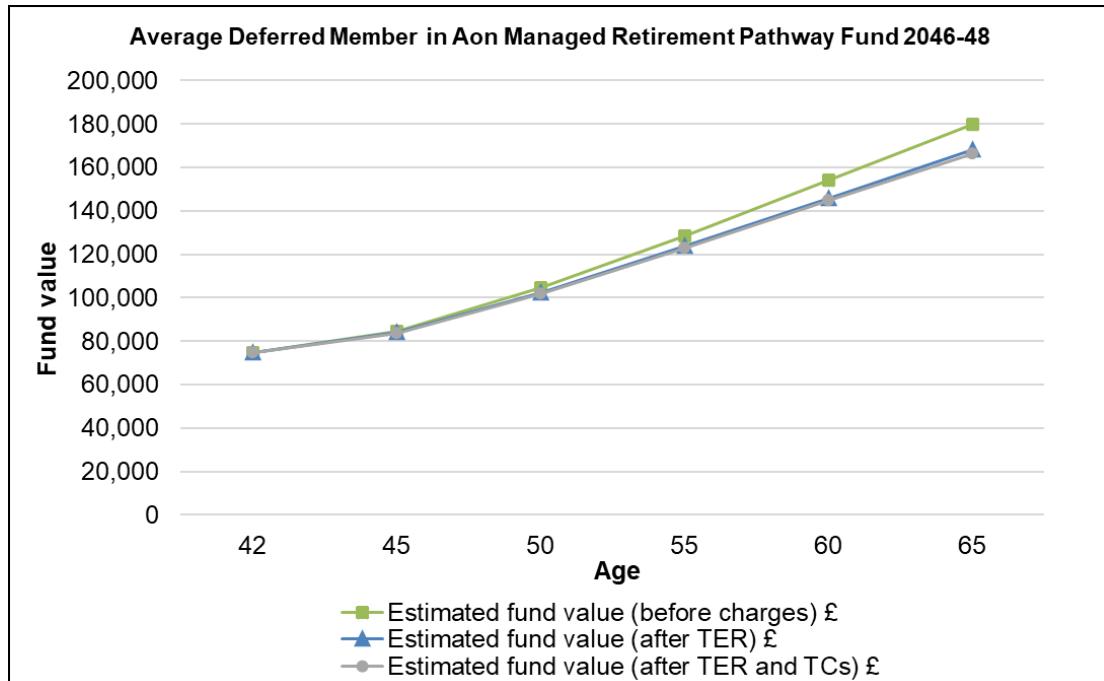
Age	Aon Managed Retirement Pathway Fund			Aon Managed Global Impact Fund			BlackRock World (ex UK) Equity Index Fund		
	Before charges	After charges	Effect of charges	Before charges	After charges	Effect of charges	Before charges	After charges	Effect of charges
	£	£	£	£	£	£	£	£	£
41	50,750	50,750	0	50,750	50,750	0	50,750	50,750	0
45	87,740	86,730	1,010	86,860	84,520	2,340	86,340	86,150	190
50	143,820	140,440	3,380	140,870	133,230	7,640	139,160	138,530	630
55	211,310	203,910	7,400	206,760	190,290	16,470	203,020	201,670	1,350
60	287,510	274,020	13,490	287,140	257,160	29,980	280,250	277,760	2,490
65	370,220	348,530	21,690	385,200	335,500	49,700	373,630	369,470	4,160

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Member Borne Charges and Transaction Costs (continued)

(iii) Illustrations of the cumulative effect of cost and charges (continued)

Illustration C: is based on a deferred member (a member who is no longer making contributions into their Pension Account) who has 23 years to go until their retirement at age 65. The member has a current fund value of £74,500 and is invested in the **Aon Managed Retirement Pathway 2046-2048**.



Projected Pension Account in today's money.

Age	Aon Managed Retirement Pathway Fund			Aon Managed Global Impact Fund			BlackRock World (ex UK) Equity Index Fund		
	Before charges	After charges	Effect of charges	Before charges	After charges	Effect of charges	Before charges	After charges	Effect of charges
	£	£	£	£	£	£	£	£	£
42	74,500	74,500	0	74,500	74,500	0	74,500	74,500	0
45	84,690	83,830	860	83,940	81,930	2,010	83,490	83,330	160
50	104,860	102,030	2,830	102,400	96,000	6,400	100,960	100,440	520
55	128,600	122,990	5,610	124,910	112,480	12,430	122,080	121,060	1,020
60	153,970	144,650	9,320	152,380	131,790	20,590	147,620	145,910	1,710
65	180,000	166,150	13,850	185,890	154,410	31,480	178,510	175,860	2,650

Important

Members are advised to consider both the level of costs and charges and the expected return on investments (i.e. the risk profile of the strategy) in making investment decisions.

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Assumptions and data for illustrations:

The following assumptions have been made for the purposes of the above illustrations:

- Annual salary growth and inflation is assumed to be 2.5% per annum
- The starting fund values and future contributions used in the projections is representative of the average for the Plan
- The projected annual returns on assets and costs and charges used in the illustrations are shown in the table below. The Funds show in bold make up the Aon Managed Retirement Pathway Fund:

Fund	Projected annual return (% p.a.)	Transaction Cost (% p.a.)	TER (% p.a.)
Underlying funds for the Aon Managed Retirement Pathway Funds:			
Aon Managed Initial Growth Phase Fund	6.7	0.05	0.28
Aon Managed Global Impact Fund	5.8	0.09	0.72
Aon Managed Diversified Asset Fund	4.7	0.19	0.29
Aon Managed Diversified Multi Strategy Bond Fund	5.2	0.48	0.38
Aon Managed Passive Corporate Bond Fund	4.4	0.04	0.18
Aon Managed Short Term Inflation Linked Fund	2.5	0.03	0.17
Aon Managed Up to 5 Year UK Gilt Index Fund	3.3	0.13	0.15
Comparison funds:			
Aon Managed Global Impact Fund	5.8	0.09	0.72
Aegon BlackRock World (ex UK) Equity Index Fund	6.4	0.00	0.06

For the Aon Managed Retirement Pathway Fund the projection takes into account the changing proportion invested in the different underlying funds.

- The transaction costs have been averaged over a 3 year period in line with statutory guidance to reduce the level of volatility, and a floor of 0% p.a. has been used for the transaction costs if these were negative in any year so as not to potentially underestimate the effect of charges on fund values over time.
- Member data used is as at 31st December 2022.

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Value for Members Assessment

The Trustees are required to assess, on an annual basis, whether the Plan delivers good value for its members. The way the Trustees must carry out the assessment is prescribed by legislation and must involve a comparison of reported member borne costs and charges and fund performance (net investment returns) with three other larger schemes, and a consideration of key governance and administration criteria. Working in conjunction with our advisers, Aon, we have assessed the Plan relative to three Master trusts: Aon Master Trust, Aegon Master Trust, and National Employment Savings Trust (NEST).

The Trustees' beliefs have formed the basis of the analyses of the benefits of membership. These are set out below along with the three components of the prescribed assessment framework; cost and charges, net investment returns and administration and governance.

i) Cost and Charges

The costs have been identified as the Total Expense Ratio (TER) and Transaction Costs and are set out in the "Member Borne Charges and Transaction Costs" section of this statement. These have been compared to those that members pay in the three comparator schemes selected.

The Member Borne Charges and Transaction Costs are slightly higher for the Plan (with its actively managed approach) than for the largely passive approaches used as comparators. However, the Plan's net investment returns compare favourably with two out of the three comparator arrangements.

ii) Net Investment Returns

The investment returns delivered to members of the Plan, net of all member borne costs and charges, over the one and five year periods to 31 December 2022, have been compared to those that members may have achieved in the three comparator schemes mentioned above.

Our assessment showed that the net investment returns members achieved in the Plan meaningfully outperformed two of the comparators whilst underperforming the Aon Master Trust default (with its greater use of passive management) over the five year period.

The Trustees remain satisfied that the investment approach adopted by the Plan is consistent with their objectives, specifically on the approach adopted to the management of risk and target return through the lifetime of the default strategy.

The self-select funds generally performed in line with the comparator arrangements.

On this basis we believe that the net investment returns in the Plan provide good value for members in comparison to the other arrangements available.

iii) Administrations and Governance

The Trustees have considered the benefits of membership under the following four categories: Plan governance, investments, administration and member communications and engagement. Benchmarking relative to other pension arrangements or industry best practice guidelines is also undertaken.

Requirement

The Administration Regulations require the Trustees to make an assessment of charges and transactions costs borne by members and the extent to which those charges and costs represent good value for money for members.

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Value for Members Assessment (continued)

Plan governance

- The Trustees believe in having robust processes and structures in place to support effective management of risks and ensure members' interests are protected, increasing the likelihood of good outcomes for members.
- Plan governance covers the time spent by the Trustees to ensure the Plan is run in compliance with the law and regulation, including taking account of the interests of its members.
- The Trustees carry out an annual assessment against the DC Code of Practice and the governance framework, to ensure that they are meeting best practice. Actions are put in place following this assessment in order to address any gaps and progress is followed over the Plan year to ensure these are completed.

Investments

- The Trustees believe that a well-designed investment portfolio that is subject to regular performance monitoring and assessment of suitability for the membership will make a large contribution to the delivery of good member outcomes.
- The Plan offers three series of target date funds, designed for members wishing to access their benefits flexibly at retirement via income drawdown, annuity purchase or by taking cash. There is also a range of self-select funds covering a range of member risk profiles and asset classes. The investment funds available have been designed, following advice from the Plan's investment advisor, with the specific needs of the Plan's members in mind.
- The structure of the default arrangement for the Plan, the Aon Managed Retirement Pathway Fund, reflects how members are expected to access their funds at retirement i.e. drawdown. A wide range of investment options are available to members and the Trustees have a process in place to review the investment strategy on at least a triennial basis.
- The Plan provides members with an appropriate range of fund options. The investment strategy and performance are regularly monitored and reviewed by the Trustees.

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Value for Members Assessment (continued)

Administration

- The Trustees believe that good administration and record keeping play a crucial role in ensuring that Plan members receive the retirement income due to them. In addition, the Trustees believe that the type and quality of service experienced by members has a bearing on the level of member engagement.
- The Trustees regularly monitor the Plan's administration and over this period found that the necessary administration standards were being achieved. The Plan's administrators, Capita, attend the quarterly Trustee meetings, where they present their administration report.
- The Trustees are satisfied that there are processes in place to monitor standards of administration and record-keeping for the Plan.
- The Trustees reviewed the processes during the year with the Plan administrators and flowcharts were produced to ensure timely and efficient processing of transactions.

The Trustees are aware of a cyber incident occurring at Capita following the Plan year end. The majority of Capita's client services were not impacted by the incident and remained in operation. Capita successfully restored all client services that were impacted and have taken appropriate steps to ensure the robustness of their networks and systems.

Member communications and engagement

- The Trustees believe that effective member communications and delivery of the right support and tools helps members understand and improve their retirement outcomes.
- The Plan provides members with clear, regular communications regarding any changes to the Plan's investments, as well as quarterly fund performance factsheets that are available to members via the website (<https://www.kraftheinzpension.co.uk>), benefit statements and 'at retirement' communications.
- Members have access to the Plan website which contains all Plan booklets and investment guide information, "I am" example personas to show the impact of small changes to members funds and the use of videos to further assist members. The Plan website also has contact details for the administrator (e-mail, telephone and address).
- A quarterly investment update is published on the Plan website, giving members information on how the main default funds have performed, an update on any changes made to the investments and summary information on market performance.

Overall view

The Trustees' assessment concluded that the charges and transaction costs borne by Plan members represents good value for members relative to the benefits of Plan membership.

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Processing of Core Financial Transactions

The core financial transactions are undertaken on behalf of the Trustees by the Plan administrator, Capita and the Company is responsible for ensuring that contributions are paid to the Plan promptly. The timing of such payments is monitored by the Trustees from quarterly administration reports provided by Capita.

In order to determine how well the administrator is performing, the Trustees have service level agreements (SLA's) in place with Capita. The SLA's detail a number of key administration processes to be performed and the target timescales which each of these processes needs to be completed. There are targets in place for all core financial transactions. Under the current SLA, Capita aims to accurately complete all financial transactions within 5 working days, which includes investment of contributions. Over the period 95% of core financial transactions were achieved within the target SLA.

The Trustees have also reviewed the key processes adopted by the administrator in order to minimise the risks of inaccurate or late payment of core financial transactions. Key processes include:

- Monthly unit reconciliations are carried out by Capita to reconcile fund manager holdings with the administration system records.
- Flowcharts that outline the steps and checks in place for each of the core financial transactions, including key dates to be met.
- Effective management is evidenced through the quarterly stewardship report provided by Capita, which includes details of the core financial transactions over the respective period, including: Membership movements, investment of contributions, cashflow management and settlements from the Plan.
- All work processes are documented and subject to a peer review process. Work undertaken by Capita is calculated and independently checked by another member of the team.
- Capita's pensions administration staff are actively encouraged to obtain formal qualifications in relevant areas. Many hold formal pensions-related qualifications from industry bodies, e.g. the Pensions Management Institute. All staff members complete annual regulatory training.
- An annual unit reconciliation is undertaken at a Plan level by Capita and audited at the year-end by JW Hinks.

Requirement

The Trustees have a specific duty to ensure that core financial transactions are processed promptly and accurately. Core financial transactions include the investment of contributions, transfer of member funds into and out of the Scheme, transfers between different investments within the Scheme and payments to and in respect of members/beneficiaries.

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Processing of Core Financial Transactions (continued)

In addition, the Trustees meets with Capita on a quarterly basis at Trustee meetings to discuss the administration of the Plan. These meetings provide an opportunity to discuss any issues that might arise. There were four member complaints over the period, which were discussed with the Trustees. The Trustees are satisfied that these complaints were fully dealt with.

Capita completed a review of the common data (basic member information e.g. name, address, national insurance number etc) in September 2022. The Pensions Regulator sets out benchmark standards and pass rate percentages of 95% for 'legacy' data (data pre-June 2010), and 100% for New Data (data post-June 2010). The common data report gives the Plan a score of 93.41% for Legacy data and 92.68%. The main issues with the common data were missing national insurance numbers and address data.

Capita subsequently conducted a tracing exercise to locate members with missing current addresses and is reviewing national insurance numbers with the company to resolve the missing data.

The Trustees are satisfied that over the period:

- the administrator was operating appropriate procedures, checks and controls and operating within the agreed SLA;
- there have been no material administration errors in relation to processing core financial transactions; and
- all core financial transactions have been processed promptly and accurately during the Plan year.

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Trustees' Knowledge and Understanding

The Trustees have processes and procedures in place to meet the Pension Regulator's Trustee Knowledge and Understanding requirements (as set out in their Code of Practice No 7); some of which are identified below:

- A structured training programme for newly appointed Trustees including completion of the Pension Regulator's Trustees toolkit, which is an online learning programme.
- Assessing training needs and identifying gaps in knowledge through annual assessments.
- Undergoing regular training for the year this included training on TPR's new Single Code of Practice.
- Maintaining training logs for each Trustee which supports the above.

In addition, individual Trustees received additional training from advisers through main board meetings and sub-committee meetings – four main board meetings in total were held during the year.

The Trustees have engaged with their professional advisers regularly throughout the year to ensure that they exercise their functions properly and take professional advice where needed. The Trustees are familiar with the key Plan documents such as the Trust Deed & Rules, Trustee Report & Accounts and Statement of Investment Principles, and have used this knowledge to exercise their functions. A few of the activities undertaken during the year that support this statement are set out below:

- Production of an Implementation Statement.
- Sign off of the Trustees' Report and Accounts for the year ending 31 December 2022.
- Review of quarterly administration reports to monitor service delivery against agreed service levels standards and assessing the member experience.
- Reviewing quarterly investment reports to assess fund performance against benchmarks, and funds against overall Plan aims and objectives, as set out in the Statement of Investment Principles.
- Maintaining a regime for proper governance - reviewing and updating the Trustees governance framework for the Plan.

The Trustee board is made up of four Trustees with varying skill sets. The Trustee board incorporates a range of skills and experience and a diverse mix of backgrounds, including representatives from finance, IT, audit and production. There are currently two Employer-Nominated Trustees and two Member-Nominated Trustees.

Requirement

Sections 247 and 248 of the Pensions Act 2004 set out the requirement for Trustees to have appropriate knowledge and understanding of the law relating to pensions and trusts, the funding of occupational pension schemes, investment of scheme assets and other matters to enable them to exercise their functions as Trustees properly. This requirement is underpinned by guidance in the Pension Regulator's Code of Practice 7.

DC Governance Statement

Trustees' Knowledge and Understanding (continued)

In summary, the Trustees consider that they meet the Trustee Knowledge and Understanding requirements and are confident that their combined knowledge and understanding, together with the support of their advisers, enables them to properly exercise their functions as the Trustees of the Plan.

Signed on behalf of the Trustees of the Heinz UK Pension Plan by the Chair of Trustees

Name _____

Signature _____

Date _____

DC Governance Statement

Appendix 1 – Aon Managed Retirement Pathway Fund Charges

Below is the full list of charges for the Aon Managed Retirement Pathway Funds.

Fund Name	TER (% p.a.)	Transaction Costs (% p.a.)	Total Costs (% p.a.)
Aon Mgd Ret Pthwy Perpetual	0.29	0.13	0.42
Aon Mgd Ret Pthwy 2019-2021	0.30	0.13	0.43
Aon Mgd Ret Pthwy 2022-2024	0.30	0.12	0.42
Aon Mgd Ret Pthwy 2025-2027	0.31	0.11	0.42
Aon Mgd Ret Pthwy 2028-2030	0.31	0.11	0.42
Aon Mgd Ret Pthwy 2031-2033	0.32	0.10	0.42
Aon Mgd Ret Pthwy 2034-2036	0.32	0.08	0.40
Aon Mgd Ret Pthwy 2037-2039	0.33	0.06	0.39
Aon Mgd Ret Pthwy 2040-2042	0.33	0.06	0.39
Aon Mgd Ret Pthwy 2043-2045	0.33	0.06	0.39
Aon Mgd Ret Pthwy 2046-2048	0.33	0.06	0.39
Aon Mgd Ret Pthwy 2049-2051	0.33	0.06	0.39
Aon Mgd Ret Pthwy 2052-2054	0.33	0.06	0.39
Aon Mgd Ret Pthwy 2055-2057	0.33	0.06	0.39
Aon Mgd Ret Pthwy 2058-2060	0.33	0.06	0.39
Aon Mgd Ret Pthwy 2061-2063	0.33	0.06	0.39
Aon Mgd Ret Pthwy 2064-2066	0.33	0.06	0.39
Aon Mgd Ret Pthwy 2067-2069	0.33	0.06	0.39
Aon Mgd Ret Pthwy 2070-2072	0.33	0.06	0.39
Aon Mgd Ret Pthwy to Annuity Perpetual	0.29	0.00	0.29
Aon Mgd Ret Pthwy to Annuity 2019-2021	0.29	0.00	0.29
Aon Mgd Ret Pthwy to Annuity 2022-2024	0.29	0.02	0.31
Aon Mgd Ret Pthwy to Annuity 2025-2027	0.29	0.08	0.37
Aon Mgd Ret Pthwy to Cash 2019-2021	0.31	0.01	0.32
Aon Mgd Ret Pthwy to Cash 2022-2024	0.30	0.03	0.33
Aon Mgd Ret Pthwy to Cash 2025-2027	0.29	0.09	0.38

DC Governance Statement

Appendix 2 – Aon Managed Retirement Pathway Funds Performance

Below is the full list of performance for the Aon Managed Retirement Pathway Funds.

Fund Name	One Year (%)	Five Year (%)
Aon Mgd Ret Pthwy Perpetual	-7.2	1.3
Aon Mgd Ret Pthwy 2019-2021	-8.0	2.4
Aon Mgd Ret Pthwy 2022-2024	-8.4	2.6
Aon Mgd Ret Pthwy 2025-2027	-8.6	3.0
Aon Mgd Ret Pthwy 2028-2030	-8.9	3.4
Aon Mgd Ret Pthwy 2031-2033	-8.9	4.3
Aon Mgd Ret Pthwy 2034-2036	-8.5	5.4
Aon Mgd Ret Pthwy 2037-2039	-7.6	5.8
Aon Mgd Ret Pthwy 2040-2042	-7.6	5.8
Aon Mgd Ret Pthwy 2043-2045	-7.6	5.8
Aon Mgd Ret Pthwy 2046-2048	-7.6	5.8
Aon Mgd Ret Pthwy 2049-2051	-7.6	5.8
Aon Mgd Ret Pthwy 2052-2054	-7.6	5.8
Aon Mgd Ret Pthwy 2055-2057	-7.6	5.8
Aon Mgd Ret Pthwy 2058-2060	-7.6	5.8
Aon Mgd Ret Pthwy 2061-2063	-7.6	5.8
Aon Mgd Ret Pthwy 2064-2066	-7.6	5.7
Aon Mgd Ret Pthwy 2067-2069	-7.6	5.7
Aon Mgd Ret Pthwy 2070-2072	-7.6	N/A
Aon Mgd Ret Pthwy to Annuity Perpetual	-22.4	-2.8
Aon Mgd Ret Pthwy to Annuity 2019-2021	-22.3	-2.9
Aon Mgd Ret Pthwy to Annuity 2022-2024	-19.9	-1.2
Aon Mgd Ret Pthwy to Annuity 2025-2027	-11.3	N/A
Aon Mgd Ret Pthwy to Cash 2019-2021	1.0	0.6
Aon Mgd Ret Pthwy to Cash 2022-2024	-1.9	2.5
Aon Mgd Ret Pthwy to Cash 2025-2027	-7.1	N/A