

Pensions Update

Kraft*Heinz*

Heinz Pension Plan (the 'Plan')

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December 2025

Welcome note



We hope you like the new look and format of 'Pensions Update'.

Funding news

The Plan's latest valuation was completed in early 2025 based on its position at 31 December 2023, with an estimated update carried out at 31 December 2024. I'm pleased to confirm that the Plan remains in a strong financial position. You can read more in our Summary Funding Statement inside.

Plan news

This includes the latest details of pension increases, active member contributions and a recap, for members who have not yet retired, on how you can get financial advice at retirement at no cost to you.

Member website

Have you registered for access to the member website yet? If not, please take a moment to do so. Turn to page 9 for details.

Company news

As widely reported, Kraft Heinz has announced plans to separate into two companies. Please be assured that the Heinz Pension Plan will remain a distinct legal entity with assets held in a Trust, so totally separate from those of the Company. Your pension benefits will remain highly secure due to the Plan's very strong level of funding.

With best wishes to you and your family.

Phil Ashton

Chair of the Trustee Board

Summary Funding Statement

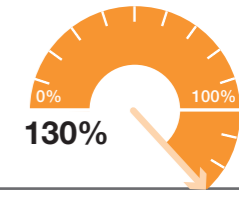
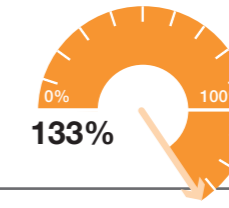
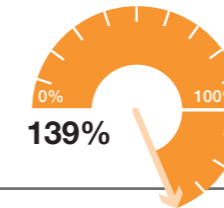
At least once every three years, the Plan's actuary is required to carry out an in-depth financial assessment, known as an actuarial valuation. This involves a comparison of the money held by the Plan (referred to as the assets) with the amount required to pay benefits (referred to as the funding target). The funding target is based on assumptions about what will happen in the future, for example how long members live.

The funding position

The latest valuation was based on the Plan's position at 31 December 2023. Since then, the interim funding update at 31 December 2024 has also been completed. The table shows how the funding position changed since the 2022 funding update shown in last year's Pensions Update.

	31 December 2024 Update	31 December 2023 Valuation	31 December 2022 Update
Funding target	£744 million	£844 million	£854 million
Assets	£1,036 million	£1,124 million	£1,112 million
Funding surplus	£292 million	£280 million	£258 million

Funding level



Since the 2022 funding update, the funding level and surplus have both increased. This is mainly due to asset outperformance relative to the funding target. This also reflects the new assumptions agreed for the valuation at 31 December 2023 including updated life expectancies and an increase to the funding target due to extra prudence in the allowance for future investment returns.

A different view

The figures on page 3 are worked out on the ‘ongoing’ basis, which assumes the Plan will continue until all members’ benefits are settled in full. As part of a valuation, the actuary also works out the financial position assuming the Plan came to an end on the effective date. This is known as the ‘full solvency’ basis. This is usually lower than the ongoing funding level as, in this scenario, the Plan would need to buy insurance policies to provide all members’ benefits built up to date. Generally, this would be more expensive than paying benefits gradually over time.

	31 December 2024	31 December 2023	31 December 2022
Full solvency funding level	130%	124%	118%
Solvency surplus	£237 million	£215 million	£168 million

Company support

In recognition of the Plan’s funding surplus, it was previously agreed that Company contributions would not be required up to 31 December 2025. In light of the continued strong funding position, it has been agreed this will continue until 31 March 2028 and reduced member contribution rates have also been extended – see page 8 for more information.

Monthly Company contributions towards the future build-up of active members’ benefits are scheduled to resume following that date, at the rate of 20.1% of pensionable salary.

The Plan has never paid any money to the Company.

Finding out more

If you would like more detail on the 2023 valuation or 2024 funding update, you can request a copy of the relevant actuarial report from the administrators (see page 20).

The Pensions Regulator

The Pensions Regulator protects workplace pension plans in the UK. It has powers to direct how a pension plan’s funding target is worked out, set contributions or change the way benefits build up in future. It has never used any of these powers on our Plan or any other Heinz UK pension plan.

www.thepensionsregulator.gov.uk



For all members

GMP equalisation

We're continuing to work through this complex benefit review exercise, which may result in some members receiving a small increase to their pension and/or a one-off back-payment.

It relates to the legal requirement all UK pension schemes like ours have, to adjust benefits for the effect of unequal Guaranteed Minimum Pension ('GMP') between men and women. (Members past and present may have built up GMP in the Plan between 1978 and 1997 instead of part of the State pension.)

We've completed this exercise for most pensioner members and dependants, and for former members of the Plan who transferred out. We plan to complete the exercise for remaining members in 2026.

The Plan's administrators have also updated the retirement process so that new pensions going into payment will account for any required adjustment.

No pensions will be reduced as a result of GMP equalisation.

For all members not yet retired

Reminder: expert retirement advice at no cost to you

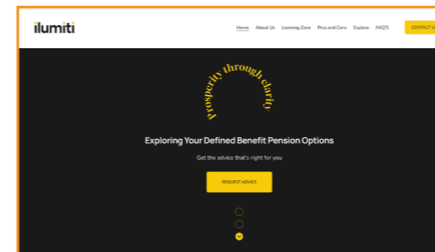
To help when you're ready to retire, the Plan will pay for you to receive one session of financial advice from **ilumiti**, a firm authorised and regulated by the Financial Conduct Authority.

Their advisers have detailed knowledge of the Plan, so will help you understand all your options. Your **ilumiti** adviser will provide you with a personal recommendation on how to take your Plan benefits.

Your retirement pack will include details of how to book your session. You'll automatically receive a retirement pack about six months before you reach age 65 (the Plan's Normal Retirement Age).

Alternatively, if you're interested in retiring early, you can request a retirement pack at any time from age 50 (typically) by contacting the administrators (see page 20).

www.ilumiti-hub.co.uk



The offer of paid-for financial advice from **ilumiti** to Plan members is subject to review and may be altered or withdrawn by the Trustees at any time.

For pensioner members

Pension increases

The types of increases that apply to pensions depend on when benefits were built up in the Plan.

Some parts of Plan pensions receive an automatic increase each year, based on a specific calculation set out in the Plan rules. Other parts of Plan pensions are not eligible for automatic increases but may receive a discretionary increase. The Trustees cannot grant a discretionary increase without Company approval.

Automatic increases:

These are applied each April based on the increase to the Retail Prices Index the previous September subject to a maximum cap set out in the Plan Rules.

The 2025 pension increases where applicable were either 2.7% or 2.5% depending on the period of service and these were applied in April 2025. Different increases applied to GMP and to HP Foods members.

Discretionary increases:

We were pleased that the Company agreed to award a 5.0% discretionary increase on 'base pensions' in payment effective from April 2025.

We can now report that the Company has also agreed to award a 2.5% discretionary increase on 'base pensions' in payment effective from April 2026.

Note: *Base pension is any pension built up for service before 6 April 1997 that's not eligible for automatic increases and in excess of any GMP payable.*

Whilst there is no guarantee that the Company will agree to any further discretionary increases, please be assured that the Trustees will raise the matter with the Company regularly.

For active members

Member contributions

If you're an active member (employed by the Company and making contributions into the Plan), the temporary 4% reduction to your member contributions had been scheduled to end on 31 December 2025.

We are pleased to report that the Company has agreed to the continuation of the 4% reduction until 31 March 2028.

The Plan's online portal is an important resource for you, with a range of useful information available 24/7.

- ✓ Plan forms including Nomination Form for submitting your chosen beneficiaries for any lump sum death benefits that become payable,
- ✓ Investment information for any Additional Voluntary Contributions you have,
- ✓ Contact details,
- ✓ Useful organisations, and more.

If you're a pensioner member, the portal is also where you access:

- ✓ your payslips, and
- ✓ your annual P60.

You need to register to be able to log into the site, so if you haven't done this, we encourage you to take a few minutes to do so.

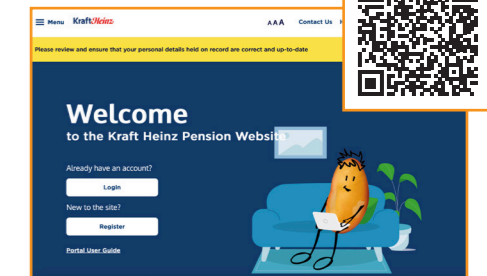
The registration process is quick and easy. It only requires you to fill out some key personal information that will be validated against your Plan record. You'll need:

- your email address,
- mobile phone number, and
- National Insurance number.

If you're already a registered user, but can't remember your username, PIN or password, you can easily reset these from the login screen.

Additionally, the fastest and easiest way to contact the administrators is from the online portal – choose 'Contact us' from the homepage and then 'Contact Us' again to bring up the online form. From there, you can submit any queries you have and you'll receive a reply directly into your secure member mailbox.

<https://portal.hartlinkonline.co.uk/heinzpensions>



In numbers

Here are the headline numbers from the Plan's annual accounts for the year.

Account as at 31 December 2024

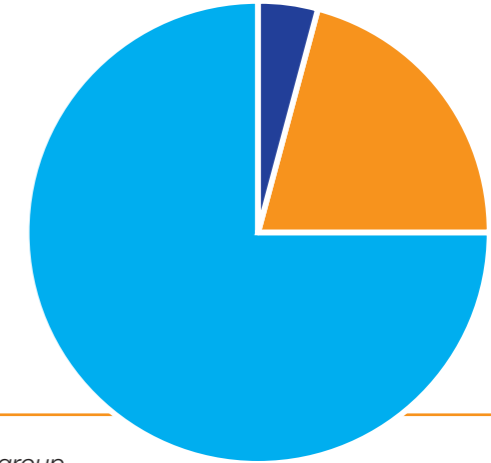
	£million
Value of the Plan at the start of the year	1,129.5
The Plan's income	5.5
The Plan's outgoings	-57.3
Income less outgoings	-51.8
Change in the value of the Plan's investments	-35.9
Value of the Plan at the end of the year	1,041.8

Includes AVCs so is slightly higher than the figure shown in the funding update. Figures are rounded.

Company contributions during 2024	£000s
Regular contributions	554
Salary sacrifice contributions on behalf of members	885
Total	1,439

The membership

● Active members (working for the Company and contributing to the Plan)	227
● Deferred members (no longer contributing but with benefits in the Plan to take when they retire)	1,096
● Pensioners (including the dependants of members who have died)	3,965
Total	5,288*



** Last year, the Trustees carried out an exercise to clarify the records for a group of members historically known as Bluebook members, generally entitled to very small benefits. These members are additional to those above and have an immaterial impact on the Plan's funding.*

Investment update

Market comment

The economic environment improved over 2024 versus 2023, supported by inflation slowing down in most major economies and ongoing resilience in the global economy. Global equity markets performed well in 2024, led by ongoing growth and the integration of Artificial Intelligence and other emerging technologies fuelling investor interest and optimism. Over 2024, gilt markets fell in value, with yields rising across maturities, primarily due to expectations for central bank rate cuts in 2025.

Investment plays a vital part in maintaining the Plan’s funding level, with a focus on managing risk to protect the funding level.

The Plan’s liability-driven investments continue to protect the money in the Plan from changes in interest rates and inflation with asset values of these investments broadly moving in line with the value of the Plan’s liabilities.

The Plan’s return-seeking assets invested in equity and credit markets produced positive absolute returns during 2024, which led to the improvement in the overall funding of the Plan.

Strategy

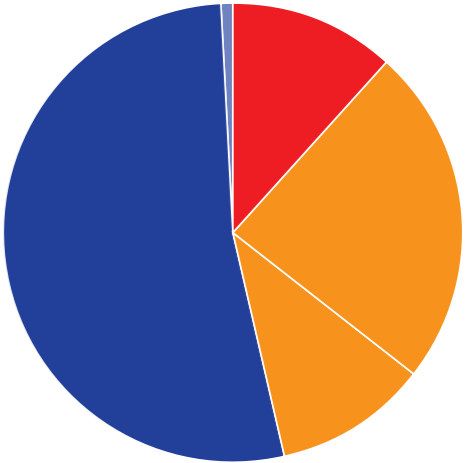
The strategy remained broadly unchanged over 2024. In 2023, the Trustees agreed to increase the equity holding towards the strategic target by rebalancing the credit holdings back towards their targets. This was completed during the first half of 2024.



Allocation

The table below shows the investment managers, the types of investments they were holding, and the percentage split between managers at 31 December 2024.

	Manager	Fund	Market value £m	% of total assets
●	UBS	Global Equity	120.3	11.7%
●	AIL	Diversified Liquid Credit Strategy	246.3	23.9%
		Sustainable Multi-Asset Credit	112.6	10.9%
●	BlackRock	QIF (LDI, Buy & Maintain Credit and Cash)	532.0	51.7%
		Liquidity	10.9	1.1%
●	Trustee balance	Cash	7.4	0.7%
	Total		1,029.5	100%



Investment update

Performance

We monitor the investment managers' performance against agreed benchmarks. There is also a benchmark for the Plan as a whole. The benchmarks are not targets (sometimes a benchmark can be negative), rather an agreed expectation of performance. The table shows the Plan's investment performance over one, three and five years to 31 December 2024.

	Return	Benchmark
Over one year to 31 December 2024	-3.3%	-3.9%
Over 3 years to 31 December 2024	-11.3% a year	-11.6% a year
Over 5 years to 31 December 2024	-5.3% a year	-5.7% a year

Over the 12 months to 31 December 2024, the Plan's investments returned -3.3%. This was 0.6% ahead of the total benchmark return.

Despite the negative performance of the assets over the longer-term periods, the Plan's funding level has remained broadly stable as the Plan's liability-driven investments continue to protect the Plan from unfavourable changes in interest rates and inflation, with asset values of these investments broadly moving in line with the value of the Plan's liabilities.

Climate disclosures

You can access the Plan's latest report on climate-related financial disclosures online.

Go to: www.kraftheinzpension.co.uk/heinzpensionplan/useful-documents and click on the link to the 'TCFD report'.

Alternatively, you can request a hard copy from the administrators (see page 20).

Pensions and inheritance tax

The Government announced that from April 2027, it is changing the rules to bring certain unused pension funds and death benefits within the value of a person's estate for inheritance tax purposes.

Any cash lump sum that becomes payable from a registered scheme if a member dies in service will **not** form part of the member's estate. Similarly, spouse and dependants' pensions paid from defined benefit arrangements such as the Plan will remain subject to existing tax rules, i.e. they will be taxed as income and **not** form part of the member's estate for inheritance tax purposes.

For the 2025/26 tax year, the individual allowance for inheritance tax is £325,000 – anything over this amount may be subject to inheritance tax of 40%.

www.gov.uk/inheritance-tax

Pensions Dashboards latest

This is the online framework being developed that will enable active and deferred members to keep track of all their pensions in one place, including the State Pension.

All UK pension schemes must connect to the system by 31 October 2026 though it won't be publicly available from then.

You can expect to see lots of media coverage when it does launch for the public. This will be through MoneyHelper initially, but the expectation is that multiple organisations will eventually provide access to it, including pension providers and banks.

www.pensionsdashboardsprogramme.org.uk



Pension ages to rise

The lowest age most people can start receiving their pension benefits will go up from 55 to 57 in April 2028. This may affect you if you have been thinking of retiring within the next few years at age 55 or 56.

The aim of the change is to keep the minimum retirement age at around 10 years below the State Pension age, which itself will rise from 66 to 67 between April 2026 and April 2028.

The Government's online calculator enables you to check when you'll reach State Pension age and how much your State Pension might be.

www.gov.uk/check-state-pension

Pension fraud

Remember that pension fraud is an ongoing threat whatever your membership. Whether you're receiving your pension, still building up benefits or no longer contributing but with benefits in the Plan to take when you retire, please remain vigilant.

Criminals often try to disguise their scam to look like it's coming from a legitimate organisation, such as the Government, your bank, a utility provider or leading retailer.

No one involved with the Plan, or any other genuine organisation, will ever ask you out of the blue for your personal details.



www.moneyhelper.org.uk/en/money-troubles/scams/how-to-spot-a-pension-scam

Behind the scenes

Your Trustees

We are directors of the Trustee company, HJ Heinz Pension Trust Limited, which manages the Plan. Its assets are kept separate from those of the Company.

We are responsible for running the Plan to the highest of standards in line with the Plan's Trust Deed and Rules and prevailing pensions laws. We meet regularly to ensure the effective operation of the Plan.

Your current Trustees

Appointed by the Company	Nominated by active or pensioner members
Phil Ashton (Chair)	Paul Bradbury
Adam Rathbone	Alan Cummings
Jared Woods	Gerry Robinson

Secretary to the Trustee Board

Danny Holeyman, Capita Pension Solutions Limited

Our professional advisers

We appoint a team of professional experts to help us run the Plan.

Administrator	Capita Pension Solutions Limited
Actuary	Jane Curtis, Aon
Auditor	JW Hinks LLP
AVC provider	Aviva
Bankers	Lloyds Bank plc
Global Investment Custodian	BNY Mellon Asset Servicing
Legal advisers	Pinsent Masons LLP
Investment advisers	Aon
Investment managers	BlackRock Investment Management (UK) Limited
	UBS
	Aon



Contact details

Remember: the quickest way to get a response to any query you have is to submit it to Capita, the Plan Administrator, from the member website: <https://portal.hartlinkonline.co.uk/heinzpensions> (see page 9).

Alternatively, you can contact Capita by phone or post:

- Call: **0333 038 4062**
- Write to: **Heinz Pensions Team, Capita Pension Solutions Limited, PO Box 555, Stead House, Darlington, DL1 9YT**

When writing or calling, always quote / have to hand your National Insurance number.