KraftHeinz

Bean Counting:

Investment Report
Update Q4 2025

About this update…

Quarterly Investment Update

This report is prepared by the Trustees each quarter, to give members a regular update on the performance of the main ('default') investment strategy of the Heinz UK Pension Plan ('the Plan').

The contents of the report is taken from the quarterly report provided to the Trustees by Aon Investments Limited ('Aon'), the Plan's delegated investment manager. The Trustees meet with the manager each quarter to discuss the performance of the funds and any changes that the manager has made or is intending to make within the funds.

The content of the report is quite 'technical' in nature and is designed to give you more background detail on the performance of the Plan investments, if this is of interest to you.

The member Investment Guide is available on the Plan website, here, and explains the investment options available within the Plan and how the default arrangement operates.

Further detailed information on each of the investment options available to members can be found in the fund factsheets.

There is also a glossary of investment terms include at the end of this report.

If you are considering making any changes to your pension investments, the Trustees recommend that you consider seeking independent financial advice. Details on how you can find a financial adviser are available on the Money Helper website. Neither the Trustees, their advisers nor AIL can give you personal financial advice.

At a glance…

Market background

Global equity markets rose over the fourth quarter of 2025, although at a more measured pace than earlier in the year. Trade tensions continued to drive markets, although fears of a trade war eased as the US signed multiple trade agreements, with rare earth minerals gaining focus. The UK budget was released in November, which raised c£27 billion in tax revenue and brings a path back to current-budget surplus.

Government bonds rose in value over the quarter, due to easing inflation and expectations of further interest rates cuts in 2026. The Bank of England cut interest rates by 0.25% p.a. to 3.75% p.a., while the US Federal Reserve also reduced interest rates twice by 0.25% each to a range of 3.5% to 3.75% p.a. Elsewhere, the European Central Bank kept its interest rate unchanged at 2.0% p.a.

Investment grade corporate bonds increased in value over the quarter, due to falling government bond yields and a slight reduction in credit spreads (the difference between government and corporate bond yields).

Performance: Retirement Pathway Funds

Members invested in the Aon Managed Retirement Pathway Funds experienced positive returns, benefiting from positive equity and bond market returns.

Longer term, performance of the Aon Managed Retirement Pathway Funds has been positive. Both funds further from retirement (i.e. younger members) and closer to retirement (i.e. older members) have outperformed their long-term inflation-linked return objectives over the period since inception. This reflects strong returns from equities against an environment of higher inflation and rising interest rates.

At a glance…

Fund changes

Aon Managed Diversified (Multi) Asset Fund

During the quarter, Aon reduced their allocation to gold, asset backed securities and cash. They also increased their allocation to government bonds, and absolute return bonds. These changes were made to reflect changes in their medium-term views.

Aon Managed Diversified Multi-Strategy Bond Fund

During the quarter, Aon increased their allocation to absolute return bonds and reduced the allocation to asset backed securities to reflect recent interest rate cuts and changes in their medium-term views.

Aon Managed Global Impact Fund

During the quarter, Aon added the Lyrical Global Impact Value Equity Fund to further diversify the Fund. Lyrical is a value focused equity manager.

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Aon Managed Retirement Pathway 2055-57 Fund
Member 30 years from retirement

Scheme performance & benchmark

5 year (annualised)

+9.3% ↑

Outperformed long-term return objective of CPI +4.0% p.a. by 0.2% p.a.

Since inception(annualised)

+9.6% ↑

Outperformed long-term return objective of CPI +4.0% p.a. by 2.4% p.a.

Comments

Since 1 August 2023, c99% of the equities / real assets is invested in funds with a climate / ESG focus including a 10% allocation to the Aon Managed Global Impact Fund.
This provides a c75% reduction in carbon footprint (scope 1 & 2) from 2019 to 2024[1].

Source: Aegon, Aon Investments Limited. Returns are to 31 December 2025 and are shown gross of fees. Returns are calculated using daily dealing prices and restated over all time periods to reflect the change in performance methodology implemented on 30 June 2024. Benchmarks are chain-linked using monthly underlying fund benchmarks and asset allocations and have been restated over all time periods to reflect this change. Please note the long term CPI+ objective is not shown for periods less than three years.

[1] Source: Aon, MSCI, underlying managers. Carbon footprint reduction relates to scope 1 & 2 greenhouse gas emissions only and shows the reduction from 2019 to 2024 based on those assets where emissions data is available.

Aon Managed Retirement Pathway 2055-57 Fund Member 30 years from retirement (continued)

Performance comments

Over the quarter, the Fund returned 3.4% as equity and bond markets rose in value.

The Aon Managed Initial Growth Phase Fund returned 3.4%. The UBS Global Equity Climate Transition Fund returned 4.1% and benefited from stock selection within financials, healthcare and communications. The UBS Global Emerging Markets Equity Climate Transition Fund returned 5.8% and outperformed its benchmark. The allocation to multi-factor equities returned 2.6% although underperformed the broader market. This was mainly due to the underweight to the technology sector, specifically large-cap technology stocks, which performed strongly.

The allocation to property and infrastructure returned 0.4%. The listed property and infrastructure holdings were broadly flat. The allocation to UK commercial property provided a positive return, despite capital values remaining unchanged.

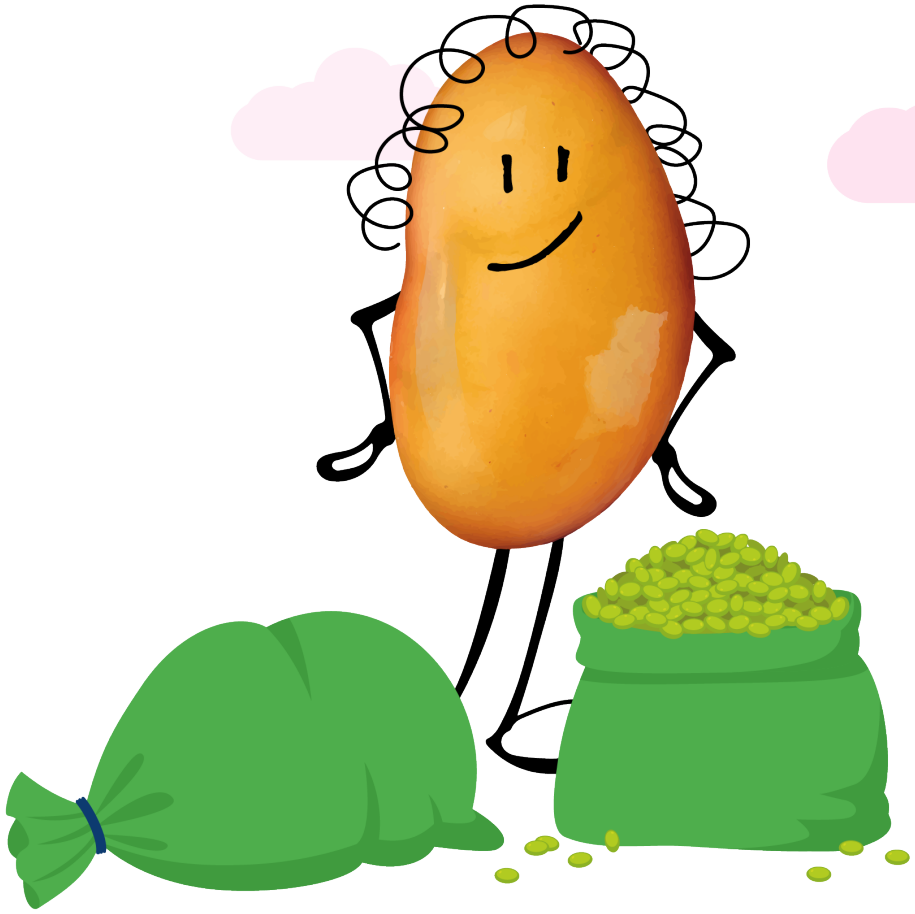
The Aon Managed Global Impact Fund returned 1.5%. An overweight allocation to healthcare and underweight to real estate contributed to performance, although this was offset by an underweight to financials and communication services.

The Aon Managed Over 15 Year Gilt Index Fund returned 5.7%, as long dated government bonds rose in value.

New and notable

The Fund invests mainly in diversified global equities with a smaller allocation to property and infrastructure. This includes a 9% allocation to the Aon Managed Global Impact Fund.

The Fund also includes a 10% allocation to long maturity UK government bonds which was introduced in July and August 2025.



Source: Aon Investments Limited. The Plan's assets are managed on the Trustees' behalf by Aon DC Solutions. The commentary on fund performance and asset allocation changes included in this report has been provided to the Trustees by Aon DC Solutions.

Aon Managed Retirement Pathway 2034-36 Fund
Member 10 years from retirement

Scheme performance & benchmark

5 year (annualised)

+8.3% ↑

Outperformed long-term return objective of CPI +3.6% p.a. by 0.4% p.a.

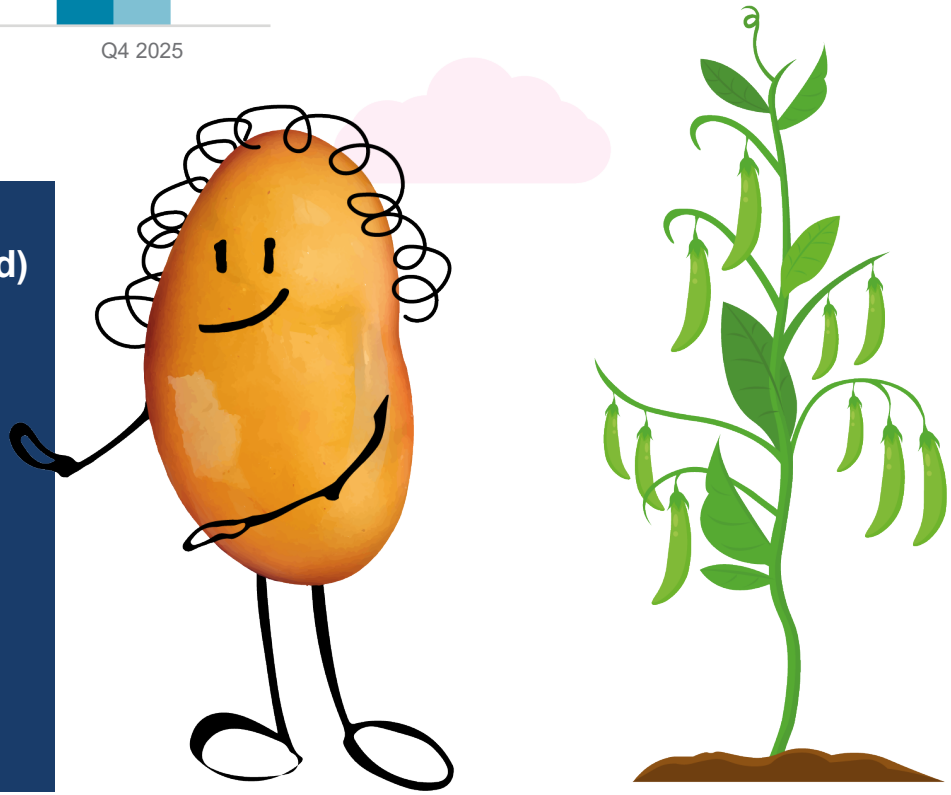
Since inception (annualised)

+9.1% ↑

Outperformed long-term return objective of CPI +3.8% p.a. by 2.1% p.a.

Comments

During Q4 2025, Aon de-risked the Fund in line with its original plan.



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Please note the long term CPI+ objective is not shown for periods less than three years.

Aon Managed Retirement Pathway 2034-36 Fund - Member 10 years from retirement (continued)

Performance comments

Over the quarter, the Fund returned 3.0% as equity and bond markets rose in value.

The Aon Managed Initial Growth Phase Fund returned 3.4%. The allocations to climate transition equities and Emerging Market equities both performed well, while UK property also provided a positive return. The allocation to multi-factor equities rose in value, although lagged the broader market due to the underweight to technology. The Aon Managed Global Impact Fund returned 1.5%.

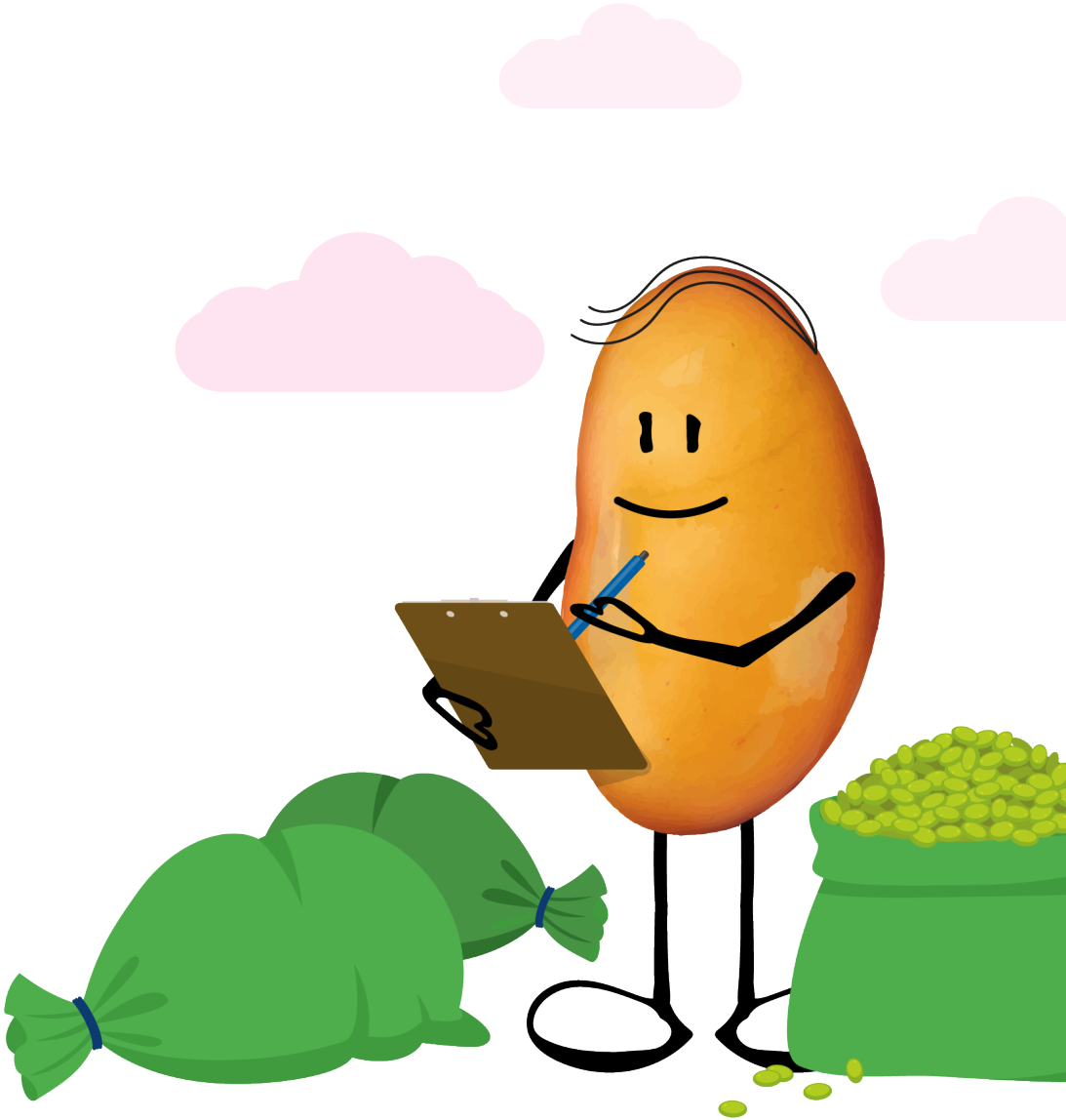
The Aon Managed Diversified Asset Fund returned 2.9%, driven by gains from its allocations to equities, absolute return bonds, asset-backed securities, gold and cash. The Aon Managed Diversified Multi-Strategy Bond Fund returned 1.1%, with gains from allocations to multi asset credit, asset backed securities and absolute return bonds.

The Aon Managed Up to 5 Year Gilt Index Fund and the Aon Managed Short Term Inflation Linked Fund returned 1.4% and 0.3% respectively, reflecting gains from short maturity government bonds.

The Aon Managed Over 15 Year Gilt Index Fund returned 5.7%, as long maturity government bonds rose in value.

New and notable

As the Fund approaches its target date, assets are switched out of the Aon Managed Initial Growth Phase Fund, Aon Managed Global Impact Fund and Aon Managed Over 15 Year Gilt Index Fund and invested across a range of assets.
Following the latest review carried out in June 2025, Aon de-risked the Fund in line with their original plan over the fourth quarter of 2025. Aon will continue to monitor this regularly going forward.



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Aon Managed Retirement Pathway 2025-27 Fund Member at retirement

Scheme performance & benchmark

5 year (annualised)

+5.3% ↑

Underperformed long-term return objective of CPI +2.4% p.a. by 2.2% p.a.

Since inception (annualised)

+6.3% ↑

Outperformed long-term return objective of CPI +2.8% p.a. by 0.3% p.a.

Comments

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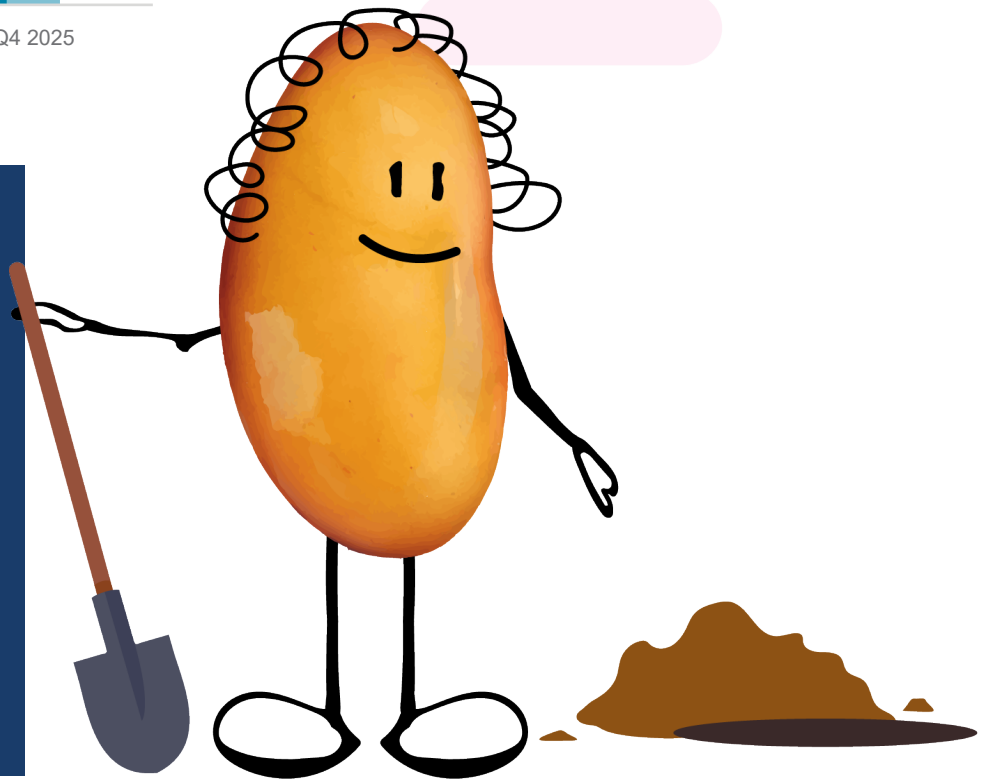

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Please note the long term CPI+ objective is not shown for periods less than three years.

Aon Managed Retirement Pathway 2025-27 Fund
Member at retirement (continued)

Performance comments

Over the quarter, the Fund returned 3.0% as equity and bond markets rose in value.

The Aon Managed Initial Growth Phase Fund returned 3.4%. The allocations to climate transition equities and Emerging Market equities both performed well, while UK property also provided a positive return. The allocation to multi-factor equities rose in value, although lagged the broader market due to the underweight to technology. The Aon Managed Global Impact Fund returned 1.5%.

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New and notable

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Market – Snapshot Q4 2025

Global Equities

3.5% ↑

Global equity markets generated 3.5% in local currency terms and 3.3% in sterling terms.

UK Equities

7.1% ↑

UK equities rose in value over the quarter.

US Equities

2.5% ↑

US equities saw positive returns in sterling terms, and returned 2.4%, in local terms.

Index-Linked Gilts

3.3% ↑

Long-dated index-linked gilts outperformed medium and short-dated index-linked gilts.

UK Corporate Bonds

2.6% ↑

UK investment grade credit spreads fell by 0.01% to 0.80% p.a., based on iBoxx Sterling Non-Gilts data.

Property

1.4% ↑

Property capital values rose and income returns remained relatively stable.

Fixed Interest Gilts

3.1% ↑

Long-dated fixed interest gilts outperformed medium and short- dated fixed interest gilts.

Pound Sterling

-0.1% ↓

Sterling weakened against the US dollar ending the quarter at $1.35/£.

Source: FactSet, MSCI (Equities, Property), iBoxx (Corporate Bonds), FTSE (Gilts)

Glossary

Term	Definition
Absolute return bonds	Bond funds that aim to deliver a positive return over a period (for example over three years), in different market conditions, often using a wide range of bond and interest-rate strategies. Returns are not guaranteed.
Asset backed securities	Investments that are backed by pools of financial assets such as mortgages, car loans or credit card debt. The cashflows to investors come from the repayments on those underlying loans.
Capital values	Capital values are the current market value of an investment or an asset, expressed as a lump sum of money.
Climate transition equities	Share investments in companies that are expected to benefit from, or are leading, the move to a lower-carbon economy, such as renewable energy, energy efficiency or other climate-related solutions.
Commercial property	Investments in buildings such as offices, shops, warehouses and industrial units that are rented out to businesses. The return comes from rent and changes in the value of the properties.
Corporate bonds	Loans made to companies. The investor lends money to a company in return for regular interest payments and the return of the loan at the end of an agreed period.
CPI	Stands for Consumer Prices Index. It is a measure of how the average cost of a typical “basket” of goods and services bought by households changes over time (inflation).
Credit spreads	The extra return (above government bond yields) that investors ask for when lending to companies or riskier borrowers, to compensate for the higher risk of not being repaid.
Diversified asset fund	A fund that spreads investments across many different types of assets (such as shares, bonds, property and cash) to reduce reliance on any single type of investment and to smooth returns over time.
Emerging markets	Countries with economies that are growing and developing quickly, such as some in Asia, Latin America, Eastern Europe and Africa. Investments there can offer higher growth but often come with higher risk.

Glossary

Term	Definition
Equities	Also known as “shares” or “stocks”. These are investments that give the investor part-ownership of a company. Their value and the income they pay can go up and down over time.
ESG	Stands for Environmental, Social and Governance. It means taking account of issues like climate change, how companies treat people, and how they are run, when making investment decisions.
Factor equities	Equity (share) investments that are selected and grouped based on certain characteristics, or “factors”, such as value, size, quality or momentum, rather than just by company or country.
Government bonds	Loans made to a government. The investor (like the pension scheme) lends money to a government in return for regular interest payments and the return of the loan at the end of an agreed period.
Infrastructure	Investments in essential assets such as roads, bridges, schools, hospitals, renewable energy projects and utilities. Returns often come from long-term, stable cashflows, sometimes linked to inflation.
Investment grade	A term used for bonds that are viewed as lower risk of not being repaid. Credit rating agencies label these bonds as having a relatively strong ability to meet payments.
Large cap	Shares in large companies with a high total stock market value. These are typically well-established businesses whose shares are widely traded.
Maturity	Maturity is the date when a financial product is due to be fully repaid or finished. For a bond this is the date when the originally amount invested is paid back in full.
Multi-asset credit	An investment approach that lends to many different types of borrowers across credit markets (for example corporate bonds, loans and asset-backed securities) within a single fund, to spread risk and seek a better overall return.
Real asset	An asset that you can see and touch and are owned as investments. They have value because of what they are and how they are used.
“Value” manager	An investment manager who focuses on buying shares they believe are “cheap” relative to the company’s fundamentals (such as profits or assets), expecting them to rise in value over time.

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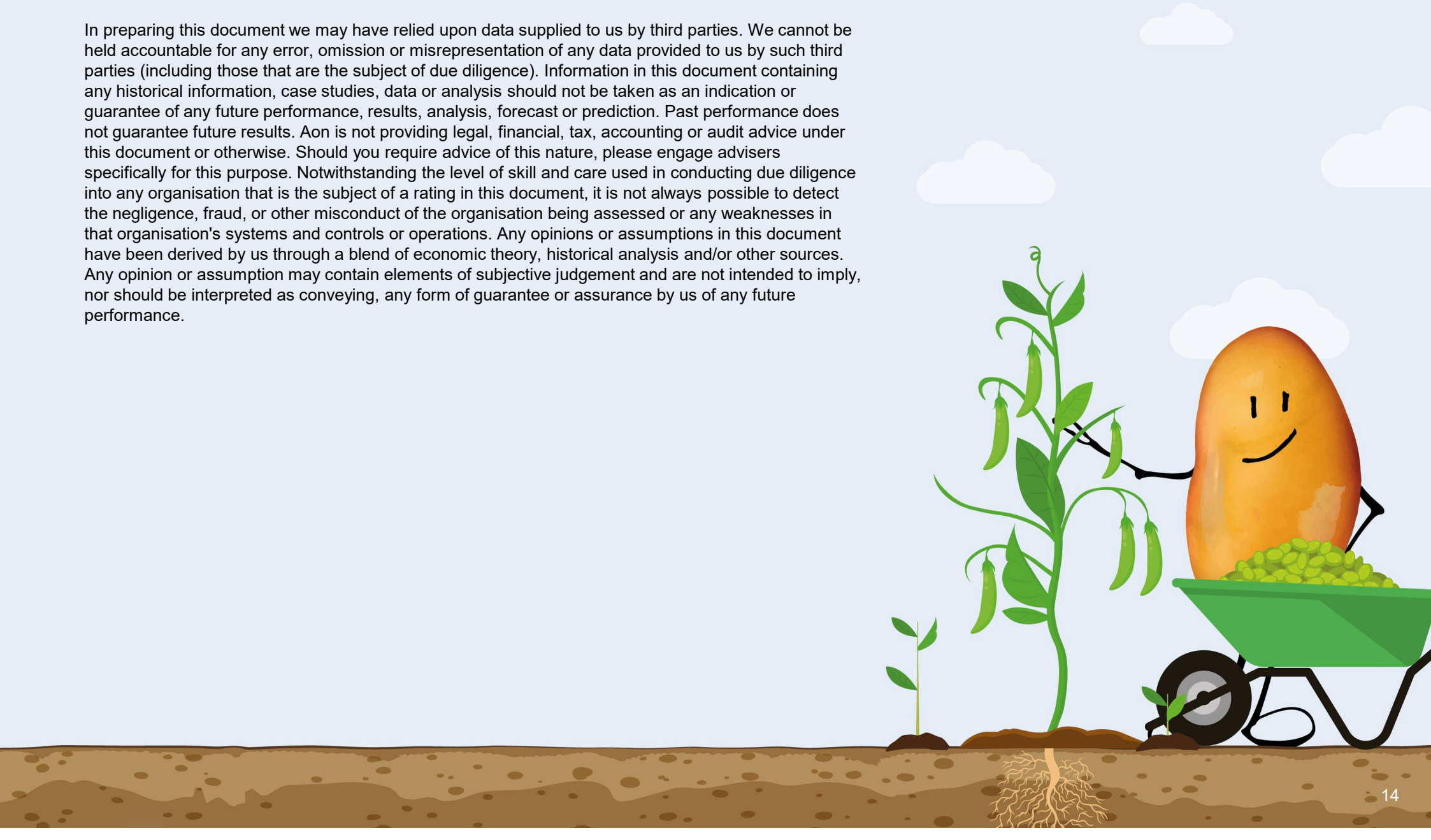
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