

Dear Member,

## Introducing your latest summary funding statement for the Heinz Pension Plan (“the Plan”)

Welcome to your latest summary funding statement, which aims to keep you up to date with developments in the funding position of the Plan.

A valuation of the Plan at 31 December 2023 was recently completed and the results are shown below. We are pleased to report that the Plan’s funding remains in a healthy position.

### The funding approach

The Trustee obtains a full valuation of the Plan at least once every three years. This is carried out by the Plan’s actuary. In the valuation, a comparison is made between the funding target and the market value of assets held by the Plan.

The funding target is the total amount of money the Plan needs in order to provide all members’ benefits. The actuary uses assumptions about future experience, together with details about members’ benefits, to work out the funding target (officially called the ‘technical provisions’).

The total value of the Plan’s assets is then compared with the funding target. The percentage of the target made up by the assets is the Plan’s funding level. If the assets exceed the funding target, the Plan is said to have a surplus and the funding level is over 100%. That is the case for our Plan.

### The valuation results

The results of the full valuation carried out at 31 December 2023 are summarised in the table below. The estimated position at 31 December 2022 shown in our previous statement is included for comparison.

	31 December 2023 Full valuation	31 December 2022 Estimate
	£M	£M
Funding target	844	854
Assets	1,124	1,112
Surplus	280	258
Funding level	133%	130%

### Explaining the change in the funding position since last year’s statement

The funding position improved by £22M over the year to 31 December 2023. Over the year, changes in financial markets meant that the assets outperformed the liabilities. The valuation results also reflect updates to the assumptions for setting the funding target, including a strengthening of the discount rate and allowance for the latest information on life expectancies.

### Schedule of Contributions

The contributions agreed as part of the valuation are set out in a document known as a Schedule of Contributions. This sets out the Company contributions for future accrual of benefits for active members that are payable from 1 January 2026 (with no contributions payable before the end of 2025), subject to any new agreements that are reached in the future. The Plan meets the cost of running expenses.

The Schedule of Contributions also sets out contributions payable by active members, which are payable at a reduced rate until the end of 2025, as notified to active members.

The Plan has never paid any money to the Company.

### **What if the Plan started to wind up?**

The figures above are worked out assuming that the Plan continues into the future (known as the 'ongoing' basis).

The Plan's actuary also works out the financial position assuming the Plan came to an end on the effective date. This is known as the 'solvency' basis.

In this scenario, the money in the Plan would be used 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, so the full solvency funding level tends to be lower than the ongoing funding level.

The results of the actuary's assessment of the solvency position of the Plan are summarised below:

	<b>31 December 2023</b>	<b>31 December 2022</b>
Surplus	£215M	£168M
Funding level	124%	118%

### **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 pension plan in the UK. The Pensions Regulator's website is as follows:

[www.thepensionsregulator.gov.uk/](http://www.thepensionsregulator.gov.uk/)

### **The Pension Protection Fund**

The Pension Protection Fund (PPF) is designed to provide some level of support where employers become insolvent and cannot meet the pension debt. Further information and guidance is available on the PPF's website at:

[www.ppf.co.uk](http://www.ppf.co.uk)

### **Finding out more**

If you would like more information, please contact Capita, who administer the Plan, as follows:

Tel: 0333 038 4062

There is also information online about the Plan's investments including our Task Force on Climate-related Financial Disclosure report, which explains how the Plan meets climate governance requirements under UK regulations. Please visit the following website:

[www.kraftheinzpension.co.uk/heinzpensionplan/useful-documents](http://www.kraftheinzpension.co.uk/heinzpensionplan/useful-documents)

Please help us to keep in touch with you by telling Capita if you change address.

### **Phil Ashton**

Trustee Chair, Heinz Pension Plan