Cereal Partners Worldwide
Nestlé and General Mills

Cereal Partners UK
Pension Fund Booklet

90th section

Terms used in this booklet

The terms will be highlighted in bold whenever they are referred to in the text.

Company

Cereal Partners UK and any other company which may from time to time participate in the **Fund**.

Earnings

Your regular **Earnings**, including shift pay, overtime and, if you're a member, any payment from a profit related pay scheme. Other variable or non-contractual payments, such as one off bonuses, productivity bonuses or allowances, are excluded.

If your **Earnings** have been reduced due to ill-health in the years before you retire, the **Company** has the discretion to recommend that a higher level of **Earnings**, related to your normal level of pay, should be used to calculate benefits for you and your family or dependants.

Final Earnings

The highest of the following, in the period immediately before you retire, die in service or leave the Fund:

- Your Earnings in the last 12 months
- Your best year's Earnings in any of the last five complete tax years
- Your best annual average Earnings in any three or more consecutive tax years within the last ten years

Final Pensionable Earnings

The highest of the following, in the period immediately before you retire, die in service or leave the Fund:

- Your Pensionable Earnings in the last 12 months
- Your best year's Pensionable Earnings in any of the last five complete tax years
- Your best annual average Pensionable Earnings in any three or more consecutive tax years within the last ten years

Fund

The Cereal Partners UK Pension Fund.

Normal Pension Age

Age 65.

Pensionable Earnings

Your **Earnings**, less the State Lower Earnings Limit (£6,396 for 2024/2025). However, your **Pensionable Earnings** will not normally be less than half of your Earnings, and will not normally be more than the Scheme Specific Earnings Cap (see page 21).

Pensionable Service

The number of complete years and months of continuous membership of the **Fund**.

Retail Prices Index

The index of retail prices compiled by the Government's Office of National Statistics.

Contents

Introduction

This booklet is your guide to the Cereal Partners UK Pension Fund ('the Fund'). It describes the pension benefits available to employees who joined the **Fund** after 31 December 2002 and are still contributing members of the **Fund** as at 1 October 2024.

If you require further information about any aspects of the **Fund**, please contact:

Nestlé Pensions
Park House South
Crawley Business Quarter
Manor Royal
Crawley
RH10 9AD
United Kingdom

Telephone: (0208) 667 6363 or 08459 243444
Phone lines are open 9am to 5pm (calls charged at local rate only)

Email: pensions@uk.nestle.com

Although every care has been taken in producing this booklet, it is not a legal document. Full details about the **Fund** are set out in the Trust Deed and Rules which are available for inspection and which will always override this booklet if any question of interpretation should arise.

Key features of the Fund

	90th section
Accrual rate	For each year and month of membership you will build up a benefit of 1/90th of your **Final Pensionable Earnings**
Member contributions	5% of **Pensionable Earnings**. Under current legislation, you will automatically receive full tax relief on your contributions. The Company meets the balance of the cost of providing your benefits.
Normal Pension Age	65
Additional Voluntary Contributions	You have the opportunity to pay additional contributions to boost your pension in retirement
When you retire (see pages 10 to 13)	
Pension for life	A pension based on 1/90th x **Final Pensionable Earnings** x Pensionable Service
Option for a cash sum (currently tax free)	Yes PLUS a reduced pension
Early retirement	From age 60 or age 50 (age 55 from 6 April 2010) with **Company** consent. You will receive an immediate pension, but it will be reduced to take account of early payment
If you die while working for the Company (see pages 14 to 15)	
A cash sum	3 times **Final Earnings** at the date of your death
A pension for your spouse, civil partner or dependants	20% of **Final Earnings** at the date of your death
Pension for dependent children	Yes
On your death in retirement (see pages 16 to 17)	
A cash sum	Yes if you die within 5 years after retirement
A pension for your spouse, civil partner or dependants	50% of your pension at retirement ignoring any reduction made for any cash sum taken
Pension for dependent children	Yes
If you leave the Company (see pages 18 to 19)	
Two or more years' **Pensionable Service**	Deferred pension payable from **Normal Pension Age*** Or Option to transfer your pension rights to another pension arrangement

* Subject to early retirement described on page 19.

Membership of the Fund and contributions

This section covers the cost and benefits of membership. It also gives information on any periods of absence and how this will affect you.

Member contributions

You contribute 5% of your **Pensionable Earnings** towards the **Fund**. Under current legislation, your contributions receive full tax relief through the Pay As You Earn (PAYE) system and are deducted automatically from your pay.

Company contributions

The **Company** pays the balance of the cost of the benefits described in this booklet.

The Trustee, with the agreement of the **Company** will determine the level and timing of the contributions required. The actuary carries out an in-depth investigation of the Fund at least every three years.

Additional Voluntary Contributions (AVCs)

The **Fund** offers you the chance to increase your pension by paying Additional Voluntary Contributions (AVCs). The purpose of AVCs is to let you make additional savings for retirement. This is particularly useful if you are considering early retirement, or if you wish to make up for any periods when you were not earning pension rights.

Under current legislation and practice, the **Fund**'s AVC arrangement has a number of especially attractive features:

- your contributions receive full tax relief;
- the returns on the investments are largely tax-free;
- you decide how much to pay, within the limits imposed by the **Fund**;
- you can increase, reduce or stop AVCs at any time, by giving the Pensions Team one month's notice in writing; and
- if you leave the **Company** and transfer your main **Fund** benefits to another pension arrangement, the value of your AVC benefit will also be transferred.

Remember, AVCs are long-term savings and cannot be paid out until you retire. However, at retirement you do have the flexibility to take some of your AVCs as a cash sum (currently tax-free).

You also have the option to use AVCs to:

- buy extra pension from the **Fund**, but only if you started paying AVCs before 3 February 2006;
- buy an annuity from the AVC provider;
- buy an annuity from another insurance company.

You can obtain further details about AVCs and an application form by contacting the Pensions Team.

In summary:

- As a member you contribute 5% of your **Pensionable Earnings**.
- You receive tax relief on your contributions.
- The **Company** also contributes to the **Fund**.
- You can increase your pension at retirement by paying AVCs.

Membership of the Fund and contributions (continued)

Opting out of the Fund

If you decide to leave the Fund whilst continuing to work for the **Company** before **Normal Pension Age**, you must give the Pensions Team one month's notice in writing. Your options will be similar to those available on leaving the **Company** (see pages 18-19).

If you do opt out before **Normal Pension Age**, you will no longer build up any of the benefits the **Fund** provides and the lump sum life assurance cover will be reduced from three to one times your **Final Earnings**. You should give the matter careful thought before making any decision to opt out.

Rejoining the Fund

As the 90th section of the Fund is now closed to new members, you would not be able to rejoin and build up benefits on the same basis as before. You would only be entitled to join the Cereal Partners Stakeholder arrangement.

Absence

FAMILY LEAVE

During family leave, your contributions will continue to be payable on the **Pensionable Earnings** you actually receive. You will remain covered for the full range of benefits, including the lump sum life assurance cover, which will be based on your **Pensionable Earnings** in the 12 months before family leave begins.

If you return to work at the end of your family leave, there will be no break in your membership of the **Fund**. If you do not return to work, your benefits will be calculated as if you had left the Fund at the time you stopped contributing.

TEMPORARY ABSENCE

Most absences from work are for a relatively short period and your membership of the **Fund** would, under normal circumstances, be unaffected. However, if you are away from work for a longer period but continue to be employed by the **Company** you will be advised at the time what effect, if any, your absence has on your **Fund** membership.

You will continue to pay contributions to the **Fund** on any **Pensionable Earnings** you receive during your period of absence and, unless you are away because of sickness, the period of absence will count as **Pensionable Service** only if contributions are paid.

You will continue to be protected by life assurance cover (see page 14).

LONG-TERM SICKNESS AND DISABILITY SCHEME

If illness or injury prevents you from working for a prolonged period, you may be entitled to receive a benefit from a long-term sickness and disability scheme operated by the **Company** and which is not part of the **Fund**.

Whilst you are receiving benefits from any such scheme, your membership of the **Fund** will normally be unchanged. This means that you will continue to build up pension and will be covered for the **Fund**'s death in service benefits, while you are away from work.

In summary:

- If you opt out of the **Fund** life assurance cover will be reduced.
- If you opt out you will not be allowed to rejoin the Fund.
- Membership of the **Fund** is normally not affected by relatively short periods of absence or family leave.

Your retirement benefits

Your pension will be calculated in different ways depending on whether you retire at **Normal Pension Age**, take early or late retirement, or have to retire early due to ill-health.

How your pension is calculated

NORMAL PENSION AGE

When you retire at **Normal Pension Age** you will receive a pension payable for life. Your annual pension will be calculated as follows:

1/90	x	Final Pensionable Earnings	x	Pensionable Service	=	Annual pension

Any benefits arising from payments of Additional Voluntary Contributions are payable in addition.

So, if you joined the Fund at age 40 and remained a member through to **Normal Pension Ag**e you would have 25 years **Pensionable Service** and if your **Final Pensionable Earnings** were £23,400, your pension would be:

1/90	x	£23,400	x	25 years	=	£6,500 a year

PART-TIME MEMBERS

If you have worked part-time (i.e. for less than 30 hours a week) for any period, your **Pensionable Service** will be adjusted to allow for the variation in hours worked. Full details will be provided if your working hours change in this way.

EARLY RETIREMENT

With the **Company**'s agreement you may retire at any time from age 50. From 6 April 2010 the earliest you will be able to retire, if the **Company** agrees, will be age 55.

Your early retirement pension will be calculated using the same method as for **Normal Pension Age** but based on the **Pensionable Service** you have actually completed.

If you retire before **Normal Pension Age** the pension will be reduced to allow for the fact that it is being paid early and so for longer. The amount of the reduction is currently 4% for each year (0.33% for each month) between the date you retire and age 65.

Example

So, if you retire at age 63 with 20 years' **Pensionable Service** and your **Final Pensionable Earnings** are £23,400, your pension would be:

Pension calculated	Pension reduced by	Early retirement pension
1/90 x 20 x £23,400 = £5,200	2 years x 4% = 8% 8% of £5,200 = £416	£5,200 – £416 = £4,784 a year

If you have to stop work at any age due to ill-health, you may be able to retire immediately and receive your pension early (see page 11).

LATE RETIREMENT

If the Company agrees to you working beyond **Normal Pension Age** you will have a choice to make regarding how your pension builds up after **Normal Pension Age**.

You can choose to either:

- opt out of the **Fund** on or after **Normal Pension Age**, at which point you would cease to pay contributions. Your pension on late retirement will be calculated on your **Pensionable Service** to **Normal Pension Age** (or later date of opting out) and **Final Pensionable Earnings**. This pension would then be increased by a late retirement factor to reflect the later start date.

  The life assurance cover of three times **Final Earnings** (see page 14) would cease on the date you opted out of the **Fund** and life cover would be based on death in retirement benefits.

- remain in the **Fund** and continue to pay contributions at the rate of 5%. Your pension will be calculated using **Pensionable Service** to the date of late retirement and **Final Pensionable Earnings** at the date of late retirement.

  The life assurance cover of three times **Final Earnings** will continue up to the date of late retirement.

ILL-HEALTH EARLY RETIREMENT

If the Trustee accepts medical evidence that you are too sick or disabled to carry out your job, then with the consent of the **Company**, you will be able to receive an ill-health pension. The amount of this pension will depend on the level of incapacity as follows:

Partial incapacity
If you are permanently unable to do your present job and are not offered a suitable alternative within the **Company** but you are capable of other work outside the **Company** you may receive an immediate pension. This pension will be based on your **Final Pensionable Earnings** at the time you retire and on your completed **Pensionable Service**. There will be no reduction to take account of the fact that the pension is being paid early.

Total incapacity
If you are permanently unable to do any kind of suitable work, you may receive a pension equal to the amount you would have received at **Normal Pension Age**, but based on your **Final Pensionable Earnings** at the time you retire. The pension is calculated using the same method as for **Normal Pension Age**, but based on the Pensionable Service you have actually completed plus the following:

1/90 **x** Final Pensionable Earnings

x potential future service in years and months to Normal Pension Age

Once again, there will be no reduction to take account of the fact that the pension is being paid early.

The granting of an ill-health pension and the terms that apply to it is entirely at the discretion of the Trustee and the **Company** based on medical evidence.

This benefit is designed to protect members who are unlikely to recover and be able to return to work. For this reason, the condition of members receiving ill-health pensions will be reviewed periodically and their pensions may be reduced or suspended.

If you retire on an ill-health pension, any payments from the long-term sickness and disability scheme would stop (see page 9).

In summary:

- Your pension is based on your Final Pensionable Earnings and 60th section Pensionable Service and/or 80th section Pensionable Service.
- You may be able to retire from age 50 (or age 55 from 6 April 2010).
- If you are too sick or disabled to work, you may be entitled to receive an ill-health pension.

Your options at retirement

When you retire you have a number of choices. These include the option to take:

- a cash sum;
- an increased pension for dependants;
- a higher pension before State Pension Age.

A cash sum

When you retire you have the option to exchange part of your pension for a cash sum.

The maximum amount you can take as tax-free cash from your pension(s) when you retire is in the region of 25% of the value of your pension, with a corresponding reduction in your annual pension. This is subject to a maximum known as the Lump Sum Allowance which is currently set at £268,275 by the Government. If you have ever applied for Lifetime Allowance protections, your Lump Sum Allowance may be higher.

The maximum amount of cash and the pension that you will be giving up in return depends on your age at retirement. The rates may vary from time to time and your retirement quotation will use the rates that are applicable when you retire.

Increased pension for a dependant

You also have the option to increase the level of financial protection for your dependants by giving up some of your own pension. Dependants can include your spouse, civil partner or anyone with whom you are financially inter-dependent. Full details will be available on request at retirement.

Level Pension Option

If you retire early and before you are eligible to receive a **State Pension**, you may be able to take a higher pension in the years between retirement and State Pension Age and a lower pension after you start to receive your **State Pension**, so that your total income broadly remains the same. This is known as the level pension option.

The higher Fund pension prior to State Pension Age is bought by a reduction in your **Fund** pension after State Pension Age. After State Pension Age your **Fund** pension will continue at the reduced rate. The **State Pension** would then go towards making up the difference.

Full details will be available on request at retirement.

How your pension is paid

Your pension is payable monthly in advance from the first day of your retirement and is credited directly to your bank, building society or Girobank account. Income tax is deducted from your pension in the same way that it is deduced from your pay under the PAYE system.

Pension increases

The Rules of the Fund provide for your pension to increase as at 6 April each year as follows:

- for pension earned by **Pensionable Service** up to and including 31 May 2007 – increase in line with inflation, as measured by the rise in the **Retail Prices Index** up to a maximum of 5%.
- for pension earned by **Pensionable Service** from 1 June 2007 – increase in line with inflation, as measured by the rise in the **Retail Prices Index** up to a maximum of 2.5%.

Any extra pension payable before the State pension comes into payment under the level pension option qualifies for **Fund** increases.

In summary:

- You can exchange some of your pension for a cash sum (currently tax-free).
- Your pension is paid monthly in advance.
- Your pension will increase in line with the rise in the **Retail Prices** Index up to 5% (for service up to and including 31 May 2007) and up to 2.5% (for service from 1 June 2007).

Family benefits while working for the Company

If you die while working for the **Company** and are a contributing member of the **Fund**, the **Fund** provides a range of benefits to give financial protection to your family on your death.

These are:

- life assurance cover;
- a pension for your spouse, civil partner or dependant and
- pensions for your dependent children.

Life assurance cover

As a contributing member of the **Fund** your life assurance cover will be equal to three times your **Final Earnings** in the 12 months before your death.

In addition, an amount equal to your total contributions to the **Fund**, including the value of any Additional Voluntary Contributions will be paid.

The life assurance cover for permanent employees over age 40 who have opted not to join the **Fund** or have opted out, will be equal to one times **Final Earnings** in the 12 months before the employee's death.

The Trustee has discretion to decide to whom the lump sum benefit should be paid. This helps to ensure that the benefit can be paid promptly and free of Inheritance Tax under current legislation.

Nomination Form

To help the Trustee decide to whom the lump sum benefit should be paid, you are asked to complete and return a copy of the confidential Nomination Form available from the Pensions Team. It is important that you complete a new Nomination Form if there is any change in your personal circumstances.

Although the Trustee is not legally obliged to pay the cash lump sum to the people you nominate, your wishes will be given every consideration.

Pension for your spouse, civil partner or dependant

This is equal to 20% of your **Earnings** in the 12 months before your death.

If you are not married or in a civil partnership, the Trustee may pay some or all of this benefit to your dependants.

If you would like the Trustee to consider a dependant for this benefit, you should complete a Dependant's Pension Application Form available from the Pensions Team. The form gives guidance about who can qualify.

If this pension is payable to someone who is more than 10 years younger than you, it will be reduced to allow for the fact that it is likely to be paid for a longer period. The pension is payable for life and unaffected by any subsequent marriage or civil partnership.

This pension will be increased in the same way as other **Fund** pensions (see page 13).

A pension for your children

If you die, the **Fund** will provide a pension for any of your dependent children up to the age of 18 or 23, if they are in full-time education or vocational training. This pension is also payable to children up to age 23 who, at the time of your death and in the opinion of the Trustee, are unable to support themselves financially due to a physical or mental disability. The Trustee has discretion to pay pensions to step-children and foster-children.

The children's pension is calculated as 5% of your **Earnings** in the 12 months before your death for each child and is payable to a maximum of four children.

The children's pensions will be increased in the same way as other **Fund** pensions (see page 13).

In summary:

- The **Fund** provides a range of benefits for your family if you die while working for the **Company** and you are a contributing member of the **Fund**.
- You have life assurance cover of three times your **Final Earnings**.
- A pension is payable to your spouse, civil partner or dependant and any dependent children on your death.
- It is important that you complete a Nomination Form.

Family benefits after retirement

On your death after retirement, the Fund continues to protect your family by providing:

- a five year guarantee;
- a pension for your spouse, civil partner or dependant; and
- pensions for your dependent children.

A five year guarantee

If you die within five years after starting to draw your pension, the outstanding balance of five years' pension payments will be paid as a cash sum, based on the level of pension in payment at that date. For example, if you died two years after retiring, three years' pension payments would be paid as a cash sum. To help the Trustee make a fair decision on who should receive this benefit, you should keep your Nomination Form up to date (see page 15).

A pension for your spouse, civil partner or dependant

This pension is equal to half your pension at retirement, ignoring any reduction made for a cash sum, pension re-spread option or an increased pension for a dependant, and is increased to allow for any pension increases since you retired. It is payable for life and is unaffected by any subsequent marriage or civil partnership.

If you are not married or in a civil partnership, the Trustee may pay some or all of this benefit to your dependants.

If you would like the Trustee to consider a dependant for this benefit, you should complete a Dependant's Pension Application Form available from the Pensions Team. The form gives guidance about who can qualify.

If this pension is payable to someone who is more than 10 years younger than you, it will be reduced to allow for the fact that it is likely to be paid for a longer period.

This pension will be increased in the same way as other **Fund** pensions (see page 13).

A pension for your children

If you die, the **Fund** will provide a pension for any of your dependent children up to the age of 18 or 23, if they are in full-time education or vocational training. This pension is also payable to children up to age 23 who, at the time of your death and in the opinion of the Trustee, are unable to support themselves financially due to a physical or mental disability. The Trustee has discretion to pay pensions to step-children and foster-children.

The pension for your children is based on your full pension at retirement, ignoring any reductions made for a cash sum, level pension or an increased pension for a dependant and is increased to allow for any pension increases since you retired.

Each eligible child receives an equal share of the total children's pension as shown in the table below:

Number of children	If a pension is being paid to your spouse, civil partner or dependants	Otherwise
For one child	20%	40%
For two children	30%	60%
For three children	40%	80%
For four or more children	50%	100%

The total pensions payable to your spouse, civil partner, dependant and children must not exceed 100% of the pension you would have been drawing. If any restriction in benefits is needed, it will be applied to the children's pensions.

The children's pensions will be increased in the same way as other Fund pensions (see page 13).

In summary:

- If you die within five years of retirement a cash sum will be paid.
- A pension is payable to your spouse, civil partner or dependant and any dependent children on your death in retirement.
- It is important that you complete a Nomination Form.

Benefits on leaving

The benefits described in this section apply if you:

- leave the Company's employment and do not take an immediate pension, or
- stop contributing to the Fund but remain in the Company's employment.

Deferred pension

As the total of your service while contributing to the Cereal Partners Stakeholder arrangement and your **Pensionable Service** in the **Fund** is two or more years, you will keep the right to a pension from the Fund at **Normal Pension Age**. This is known as a deferred pension.

Transferring your benefits

You have the option to transfer the value of your pension rights to another pension arrangement at any time up to one year before **Normal Pension Age**. This could be a transfer to a new employer's scheme, an insured arrangement, a personal pension plan or a stakeholder plan.

If you ask to transfer your benefits to another pension arrangement, the Trustee having regard to the advice of the **Fund**'s actuary will determine the value for you. The calculation takes account of the value of future increases to your pension (both before and after retirement as set out in the Rules), current investment conditions and the current funding level of the **Fund**. As investment conditions change, so do transfer values – they can, therefore, increase or decrease. A statement will be produced showing your benefit entitlement and its value. The figures shown in the statement will normally be guaranteed for three months from the quotation date and, if accepted, will be paid within six months from the quotation date.

You have the right to request a transfer value quotation once every twelve months free of charge. A charge will be made for further quotations requested within this period.

Your deferred pension

Your deferred pension will be calculated in the same way as your pension is calculated at **Normal Pension Age** (see page 10) but based on the **Pensionable Service** you have actually completed to the date of leaving the **Fund**.

Increases to your deferred pension

Your deferred pension will be increased between the date you leave the **Fund** and **Normal Pension Age**. Increases will be in line with the statutory requirements.

Once in payment, your deferred pension is increased as outlined on page 13.

Early payment

You may apply to draw your deferred pension at any time from age 55, if the Trustee agrees, although the government is raising this to age 57 from April 2028.

If you draw your pension early, your pension will be reduced to allow for early payment.

If your pension is deferred because you stopped contributing to the **Fund** but remained employed by the **Company**, you can draw your deferred pension only if you leave the **Company**'s employment.

Benefits on ill-health

If the Trustee accepts medical evidence that you are too sick or disabled to work for the foreseeable future, you can, with the agreement of the Trustee, receive an ill-health pension at any age.

Death before your pension commences

If you die before you start to draw your deferred pension, the **Fund** will provide a pension for your spouse, civil partner or dependant, normally equal to half of the pension to which you are entitled, including the increases between the date you leave and your death. If no spouse's pension is payable, the Trustee may pay some or all of this benefit to your dependants. The **Fund** will also provide a pension for your dependent children based on the pension to which you are entitled, including the increases between the date you leave and your death. This pension benefit will be in the same proportions as shown on page 17. In addition, your dependants will receive a refund of all the contributions you have paid to the **Fund**. The Trustee has discretion as to who should receive this cash sum and they will take account of your wishes as stated in your Nomination Form (see page 15).

Death after your pension commences

If you die after you start to draw your deferred pension, your spouse, civil partner or dependant and any dependent children will be entitled to an immediate pension. There is also a five year guarantee on your pension (see page 16).

In summary:

- As you have more than two years' membership, you will receive a pension from the **Fund** payable from **Normal Pension Age** known as a 'deferred pension'.
- If you leave or opt out after two years' membership, you will receive a pension from the **Fund** payable from **Normal Pension Age** known as a 'deferred pension'.
- You may apply to draw your deferred pension early.

General information

How the Fund is run

The **Fund** is set up and run under a Trust Deed and Rules. Its assets (including members' AVC savings) are entirely separate from those of the **Company** and can only be used for the benefit of members and their families. A Statement of Investment Principles concerning these assets is available from the Pensions Team.

The **Fund** is managed by a trustee company, Cereal Partners UK Pension Trust Limited, whose Directors are responsible for running the Fund in the best interest of all the **Fund**'s members.

Registration and limits

Prior to 6 April 2006, the **Fund** was granted exempt approval by HM Revenue & Customs (HMRC) under Chapter 1 of Part XIV of the Income and Corporation Taxes Act 1988. From 6 April 2006, the **Fund** automatically became registered with HMRC, under the Finance Act 2004. Under current legislation, this gives members and the **Company** certain important tax exemptions and ensures that investment income is largely tax-free.

Generally, limits on the level of benefits which were imposed by the Inland Revenue prior to 6 April 2006 are now imposed by the Rules of the **Fund**. You will be informed if these limits apply to you.

As a member of this **Fund** and any other pension schemes, you are responsible for the tax consequences of your membership. You should therefore note the following:

- If you have applied (or intend to apply) to HMRC for Enhanced Protection or Primary Protection of your pension benefits, you should bring this to the attention of the Pensions Team and seek specialist advice before joining or continuing in the **Fund**.
- If the value of your pension benefits is close to (or above) the Lifetime Allowance, the amount of tax-free cash you can take at retirement may be restricted. Different rules apply if you have applied for, or you intend before 6 April 2009 to apply for, Enhanced Protection or Primary Protection; and other events can also have an impact on your tax treatment – e.g. divorce, or a period of time working overseas. Please tell the Pensions Team if you believe that any of these special cases apply to you.
- The law does not restrict the number of pension arrangements you can be a member of at any one time. For example, if you wish, you can contribute to a personal pension (including to a stakeholder pension) at the same time as earning benefits in the **Fund**. You may generally obtain tax relief on pension contributions (to all schemes) up to the greater of 100% of your **Earnings** or £3,600. However, each year, the pension benefits you earn in all pension schemes are generally subject to an Annual Allowance (£60,000 for 2024/25) tax threshold. The pension benefits you earn in the **Fund** are measured over the year to 5 April (called the 'Pension Input Period'). If, in one year, the total of the value of the pension benefits you earn in the **Fund**, plus any contribution you pay to another pension scheme, exceed the Annual Allowance, you will generally be subject to additional tax. You should seek specialist advice if you think this may apply to you.
- Since 6 April 2006, only certain benefits are 'authorised' by the Finance Act 2004. If unauthorised benefits are paid by a pension scheme, both the scheme and the recipient will be liable for additional tax. It is generally expected that the benefits payable by the **Fund** will be authorised, but in rare cases some benefits may not be. In such cases, the Trustees are not required to pay the benefit. If they choose not to pay it they will generally draw this to your attention.
- There may be adverse tax consequences if you invest (or it could be construed that you had invested) part or your entire tax-free cash sum from a pension scheme, into another pension scheme. This is often called 'recycling' tax-free cash sums. If you are concerned about this issue you should seek professional independent financial advice.

SCHEME SPECIFIC EARNINGS CAP

The **Fund** Rules impose an upper limit on **Pensionable Earnings** that can be used for contribution purposes and **Final Pensionable Earnings** that can be used when calculating benefits for members joining on or after 1 June 1989. The limit, which is £223,800 for the tax year 2024/2025, is reviewed annually and generally increases each year in line with the rise in the **Retail Prices Index** rounded to the nearest multiple of £600. If your **Earnings** at retirement or when you leave the **Company** exceed this limit your benefits may have to be restricted. Any benefit quotations or payments will take due account of this limit.

Taxation and National Insurance

All statements about tax and National Insurance were correct at the date of publication (July 2007). No guarantee can be given that they will remain unchanged.

Changing or closing the Fund

The **Company** and the Trustee aim to maintain a high level of security and continuity for your benefits. However, the Trust Deed and Rules do contain provisions for amending, closing or winding up the **Fund**.

In particular, these provide that the **Company** may cease its contributions to the **Fund** by giving written notice to the Trustee.

The **Company** may also make changes to the **Fund** with the consent of the Trustee, subject to a period of consultation with members. You would be notified of any changes to the Fund that take place.

Your benefits are not assignable

Your **Fund** benefits are strictly personal and cannot be assigned to any other person or used as security for a loan. Any attempt to do so may result in loss of benefits. Please note, however, that should you divorce, the court has certain powers to allocate a proportion of your **Fund** benefits to your ex-spouse.

State Pension Age

Your State Pension Age will depend on when you were born. You can check your State Pension Age at

www.gov.uk/state-pension-age

Personal pensions or stakeholder pensions

If you are a member of the **Fund** you may contribute to a personal pension or a stakeholder pension, including the Cereal Partners Stakeholder arrangement. However, in these circumstances, the **Company** will not make any contributions to your chosen arrangement.

Divorce

When settling divorce cases, courts may take pension benefits into account. You may require an up to date calculation of the transfer value of your pension benefits. This and other general **Fund** information for the purposes of divorce is available on request from the Pensions Team. Please note that a charge may be made for provision of certain information. If you want to know more, you should in the first instance speak to your solicitor or your local Citizens Advice Bureau.

General information

Industry Bodies

The Pensions Regulator

The Pensions Regulator is the regulator of work based pension schemes in the UK which replaced the Occupational Pensions Regulatory Authority (OPRA) on 6 April 2005. The new regulator has extended powers to improve the security of members' benefits, focuses its attention on finding and dealing with the greatest risks to members, works with trustees and scheme managers to raise standards of scheme administration and reduces the risk of situations arising which may lead to calls for compensation from the Pension Protection Fund (PPF). The Pensions Regulator is based at:

The Pensions Regulator is based at:
Napier House, Trafalgar Place, Brighton, BN1 4DW

The Pension Protection Fund

The Pension Protection Fund (PPF) was established to pay compensation to members of eligible defined benefit pension schemes, when their employer becomes insolvent and there are insufficient assets in the pension scheme to cover PPF levels of compensation.

The PPF is funded by levies payable by pension schemes. 20% of the levy is currently related to the size of the scheme, with the remainder linked to the funding level of the scheme and the strength of the employer.

The Pension Tracing Service

Details of the **Fund** have been forwarded to the Pension Tracing Service. If in the future, you should wish to contact the Pension Tracing Service to trace any previous pension rights you can write to:

Pension Tracing Service, The Pension Service, Tyneview Park, Whitley Road, Newcastle upon Tyne, NE98 1BA

Help with Company pension problems

Any queries about the **Fund** and your benefits should be referred to the Pensions Team who will always try to provide a prompt and accurate response.

However, if you aren't satisfied with the response you get, the **Fund** operates a formal internal dispute resolution procedure to resolve any disputes between the **Fund** and its members, prospective members and beneficiaries.

When you contact the Pensions Team, you'll need to ask for an application form to submit your complaint for consideration. You will get a written decision and explanation, where possible, within two months. If you are still not satisfied, you have six months to appeal to the Trustee Board in a stage 2 application. The Trustee will normally try to get back to you within four months. If you aren't satisfied with the Trustee's decision, you can refer your complaint to the Pensions Ombudsman.

The Pensions Ombudsman

The Pensions Ombudsman is an independent organisation which was set up to investigate complaints about pension administration. It has the legal powers to make decisions that are final, binding and enforceable in court. If you would like to complain to the Ombudsman, you need to contact them within three years of the event that you are complaining about. They will then work to:

- investigate the case,
- establish the facts, and
- make a decision

You can contact them using the details below:

Telephone: 0800 917 4487
Website: www.pensions-ombudsman.org.uk
Address:
The Pensions Ombudsman
10 South Colonnade
Canary Wharf
E14 4PU
United Kingdom

MoneyHelper

You may also apply to MoneyHelper for assistance at any time. MoneyHelper is available to members and other beneficiaries who have pension queries or other difficulties which they have not managed to resolve with their scheme's trustees or administrators.

You can find more information at
www.moneyhelper.org.uk/en/pensions-and-retirement/pension-problems

Data Protection Act 1998

Under the UK General Data Protection Regulation and Data Protection Act 2018 the Trustee of the **Fund** is a 'data controller' in relation to your 'personal data'. Your personal data is information relating to you, and which identifies or is capable of identifying you, such as your name, address and National Insurance number. Some of this information may be sensitive (such as details of your health and personal relationships). As data controllers, the Trustee will process your sensitive and non-sensitive personal data – and that of other members and beneficiaries – for purposes associated with the **Fund** as further explained in the Trustee's Personal data privacy statement which can be found at **www.nestlepensions.co.uk/downloads/cpuk/privacy_statement.pdf**. The Trustee may process your personal data itself, or use carefully selected advisors and third parties to help it.

Keeping you informed

Each year, whilst you are a contributing member of the **Fund** you will be sent a yearly statement of your individual **Fund** benefits and if applicable any Additional Voluntary Contributions. In addition, each year a summary of the Annual Report and Accounts together with an Annual Funding Statement will be sent to all members of the **Fund**.

For more information

If you have any questions, or require further information, please contact the Pensions Team at the address shown below.

This booklet has been issued to provide you with a guide to your Fund benefits and, while every care has been taken in its preparation, it is not a legal document. Full details are set out in the Trust Deed and Rules, which are the legal documents governing the running of the Fund and will always overrule this booklet if any question of interpretation should arise. The fully audited accounts for the Fund appear in the annual Trustee's Report, a copy of which is available on request.

If you wish to inspect the Trust Deed and Rules, the latest annual Trustee's Report or actuarial valuation, please contact:

Nestlé Pensions
Park House South
Crawley Business Quarter
Manor Royal
Crawley
RH10 9AD