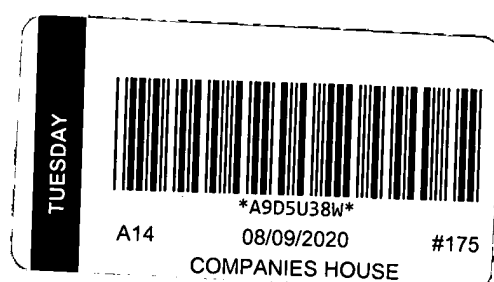


NESTLÉ UK PENSION TRUST LTD.

REGISTERED NO: 447229

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 2019



Nestlé UK Pension Trust Ltd.

Report of the Directors for the year ended 31 December 2019

The Directors present their annual report and the audited financial statements for Nestlé UK Pension Trust Ltd (the “Company”) for the year ended 31 December 2019.

Business Review

The business of the Company continued to be acting as Trustee to the Nestlé UK Pension Fund. The Company has not traded throughout the period and there are no plans to trade.

Going concern

The Directors expect the Company to continue as a going concern. In early 2020, a new coronavirus, COVID-19, impacted a significant number of countries globally. COVID-19 has caused disruption to economic activity and companies for example due to restrictions on production and trade or travel restrictions. The capital markets have experienced significant price corrections and an increase in risk premiums. Due to supply disruptions and demand shortfalls, economic growth is expected to be impaired in 2020, but this cannot be quantified yet.

- For the Company’s financial statements as of 31 December 2019 COVID-19 and the related impacts are considered. The principal activity of the Company acting as Trustee to the Nestlé Partners U.K. Pension Fund. Consequently, there is no impact on the recognition and measurement of assets and liabilities in the 2019 financial statements.

Directors

At 31 December 2019, the Directors were

Directors	Location	Directors	Location
Mr S Delo** (Chairman)	Independent	* Mr D Baxter	Pensioner
Mr J Chilman	Independent	* Mrs B Firth	Pensioner
Mr M Burridge	Gatwick	* Mr S Robinson	York
Ms I Donaldson	Gatwick	* Mr M Barry	Gatwick

**representing PAN Governance LLP

* Elected from the membership

Directors' Interests

No interests were recorded in the statutory register at any time during the year.

Nestlé UK Pension Trust Ltd.

(continued)

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice) including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

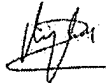
Disclosure of information to auditor

The Directors who held office at the date of approval of this Directors report confirm that, so far as they are aware, there is no relevant audit information of which the Company's auditor is unaware ; and each Director has taken all the steps that he/she ought to have taken as a Director to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditors

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the Board


Digitally signed by
Andrew Bayliss
Date: 2020.08.19
09:40:33 +01'00'

Mr A Bayliss
Secretary

Registered Office
1 City Place
Gatwick
Sussex
RH6 0PA

Dated 19 August 2020

Nestlé UK Pension Trust Ltd.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NESTLE UK PENSION TRUST LTD.

Opinion

We have audited the financial statements of Nestle U.K. Pension Trust Limited (“the Company”) for the year ended 31 December 2019 which comprise the Profit and Loss Account, the Balance sheet and related notes.

In our opinion the financial statements:

- give a true and fair view of the state of the Company’s affairs as at 31 December 2019 and of its profit/loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (“ISAs (UK)”) and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The Directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the Company’s financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements (“the going concern period”).

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the Directors’ conclusions, we considered the inherent risks to the Company’s business model and analysed how those risks might affect the company’s financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor’s report is not a guarantee that the Company will continue in operation.

Directors’ report

The Directors are responsible for the Directors’ report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the Directors’ report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the Directors’ report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

Nestlé UK Pension Trust Ltd.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 2, the Directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



**Iryndee Kaur-Delay (Senior Statutory Auditor) for
and on behalf of KPMG LLP, Statutory Auditor**

Chartered Accountants

15 Canada Square

London

E14 5GL

Date: 24 August 2020

Nestlé UK Pension Trust Ltd.

Profit and Loss Account

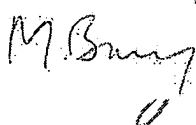
During the financial year and the preceding financial year, the Company did not trade and received no income and incurred no expenditure. Consequently, during those years, the Company made neither a profit nor a loss.

Nestlé UK Pension Trust Ltd.


Balance Sheet at 31 December 2019

	<u>2019</u>	<u>2018</u>
Current Assets:	£	£
Cash in hand	<u>6</u>	<u>6</u>
Share Capital:		
Ordinary shares of £1 each, fully paid (Note 4)	<u>6</u>	<u>6</u>

These Financial Statements were approved by the Board of Directors on 19 August 2020 and were signed on its behalf by:

 Digitally signed
by Marcus Barry
Date: 2020.08.19
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Director

 Digitally signed
by Andrew Bayliss
Date: 2020.08.19
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Director/Secretary

The notes on page 7 form part of these financial statements.

Nestlé UK Pension Trust Ltd.

Notes to the financial statements

1. Basis of preparation

The financial statements have been prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland ("*FRS 102*") as issued in August 2014. The presentation currency of these financial statements is sterling. The financial statements are prepared on the historical cost basis.

The Company's ultimate parent undertaking, Nestle SA, includes the Company in its consolidated financial statements. The consolidated financial statements of Nestle SA are prepared in accordance with International Financial Reporting Standards as adopted by the EU and are available to the public and may be obtained from the address in note 6. In these financial statements, the Company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

The Directors expect the Company to continue as a going concern. In early 2020, a new coronavirus, COVID-19, has caused significant uncertainty over financial markets, investments and trade globally. The directors have considered forecasts of the Nestle U.K. Pension Fund, including severe but plausible downside scenarios, for a period of at least 12 months from the date of approval of these financial statements. These forecasts indicate that the Nestle U.K. Pension Fund will have sufficient funds to meet its financial obligations as they fall due and assets will continue in existence. The Company will continue to act as Trustee to the Nestle U.K. Pension Fund and therefore have prepared the financial statements on a going concern basis.

2. Remuneration of Directors

None of the Directors received any emoluments in respect of their services to the Company. Two of the Directors receive remuneration directly from the Nestlé UK Pension Fund.

3. Cash flow statement

The company is a wholly owned subsidiary undertaking and is exempt under Financial Reporting Standard 1, "Cash Flow Statements", from the requirement to prepare a cash flow statement.

4. Share Capital

100 Ordinary shares of £1 each	<u>2019</u> £100	<u>2018</u> £100	Authorised
Allotted, called up and fully paid 6 Ordinary shares of £1 each	£6	£6	

5. Related party transactions

Under Financial Reporting Standard 8, the company is exempt from the requirement to disclose related party transactions within the group on the grounds that more than 90% of the voting rights are controlled within the group and the consolidated financial statements of the ultimate parent company are publicly available.

6. Ultimate Holding Company

Nestlé UK Pension Trust Ltd.

Nestlé Holdings (U.K.) PLC, which is registered in England and Wales, is the holding company for the UK group.

The ultimate holding company is Nestlé S.A., CH-1800 Vevey, Switzerland which is incorporated in Switzerland, from which copies of the group financial statements can be obtained.

7. Subsequent events

In early 2020, a new coronavirus, COVID-19, impacted a significant number of countries globally. COVID-19 has caused disruption to economic activity and companies for example due to restrictions on production and trade or travel restrictions. The capital markets have experienced significant price corrections and an increase in risk premiums. Due to supply disruptions and demand shortfalls, economic growth is expected to be impaired in 2020, but this cannot be quantified yet.

For the Company's financial statements as of 31 December 2019 COVID-19 and the related impacts are considered. The principal activity of The Company will continue to act as Trustee to the Nestlé U.K. Pension Fund. Consequently, there is no impact on the recognition and measurement of assets and liabilities in the 2019 financial statements.

Given the inherent uncertainties, it is not practical at this time to provide a quantitative estimate of the impact of COVID-19 on the Nestlé U.K. Pension Fund and therefore on the Company. The Trustee has designed and implemented the investment strategy of the Fund taking a long term view and have built in resilience to withstand short term fluctuations that may impact the Fund.

The Directors are not aware of any other events that have not been disclosed in the accounts between the reporting date and approval date that would materially impact the financial statements or require disclosure.