Greggs plc 1978 Retirement and Death Benefit Scheme

(Scheme Registration Number 10226056)

Annual Report For The Year Ended 5 April 2025

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The Trustee's Report

Introduction

This report relates to the operation of the Greggs plc 1978 Retirement and Death Benefit Scheme ("the Scheme") during the year ended 5 April 2025.

The Scheme is a contracted-out salary related pension arrangement and provides its members with retirement benefits. This type of arrangement is also known as a defined benefit arrangement.

The Scheme was closed to new entrants on 5 April 2008.

Members were able to make additional voluntary contributions (AVCs) to secure additional benefits. The Scheme also covers members for death benefits.

Full details of the Scheme's benefits can be found in the member's explanatory booklet (see "Contact for further information" on page 5).

Management of the Scheme

Greggs 1978 Pension Scheme Trustee Ltd is the corporate trustee of the Scheme. The names of the Trustee Directors of the Scheme who served during the year and those serving at the date of approval of this report are as follows:

Name	Nominated/appointed by
David Brown (Professional Trustee) - Chair	Employer
Andrew Davison, OBE	Employer
Karen Graney	Member

At least one third of the Trustee Directors are nominated by Scheme members. These member-nominated Trustee Directors are elected from deferred and pensioner membership of the Scheme. Member-nominated Trustee Directors are elected for a term of 3 years and can serve for up to three consecutive terms. The Trustee held four full board meetings during the year under review. All decisions are taken by simple majority with the Chairman having the casting vote.

The Trustee has delegated the day-to-day management and operation of the Scheme's affairs to professional organisations. The Trustee has written agreements in place with each of them.

Changes to Scheme Rules

There have been no changes to Scheme Rules during the year under review.

The Principal Employer

The name and address of the Employer is as follows:

Greggs plc, Greggs House, Quorum Business Park, Longbenton, Newcastle upon Tyne, NE12 8BU

The Trustee’s Report (Cont)

Scheme advisers

The Trustee retains a number of professional advisers in connection with the operation of the Scheme. The advisers currently appointed are as follows:

Scheme Actuary	Ben Roach Barnett Waddingham LLP
Independent Auditor	RSM UK Audit LLP
Investment Adviser	Hymans Robertson
Legal Adviser	Eversheds Sutherland LLP
Investment Managers	Legal & General Investment Management Ltd (closed 29 May 2024)
Buy in Policy Provider	Aviva Life & Pensions UK Ltd (appointed 22 May 2024)
AVC Provider	Aviva Life & Pensions UK Ltd
Administrator of the Scheme benefits	Barnett Waddingham LLP
Scheme Secretary	Elaine Nylander
Bankers	Lloyds Bank

Changes in and other matters relating to Scheme advisers

Except those noted above there have been no other changes to Scheme advisers and other matters during the Scheme year under review.

Financial development of the Scheme

During the year the value of the net assets decreased by £7,681,000 to £85,747,000 as at 5 April 2025. The decrease comprised net withdrawals from dealings with members of £223,000 due to an increase in member expenses, together with a net decrease from the return on investments of £7,458,000.

Buy in policy

On 22 May 2024, the Trustee entered into an insurance contract with Aviva, with a value of £94.2m, to insure the benefits of all of the Scheme’s pensioner and deferred members. The buy-in policy is an asset of Scheme and is in line with the Trustee’s de-risking investment strategy for the Scheme. We are grateful to the Company for their considerable financial and other support which has enabled us to achieve this significant step towards the longer-term plan, ahead of the target date. This is the first major step towards a buy-out when the buy-in insurance policy will be converted into individual annuity policies for each member, reflecting that member’s specific pension entitlement.

The annuity valuation has changed from the date of the transaction and the year end, with an associated movement in liabilities. This is primarily due to changes in market conditions and the payment of benefits since the buy in.

The Trustee's Report (Cont)

GMP Equalisation

On 26 October 2018, the High Court handed down a judgement involving the Lloyds Banking Group's Defined Benefit Pension Schemes. The judgement concluded the Schemes should be amended to equalise pension benefits for men and women in relation to guaranteed minimum pension benefits. The issues determined by the judgement arise in relation to many other Defined Benefit Pension Schemes.

On 20 November 2020, the High Court handed down a further judgment on the GMP equalisation case in relation to the Lloyds Banking Group Pension Schemes. This follows from the original judgment in October 2018 which confirmed that Schemes need to equalise pensions for the effect of unequal GMPs between males and females. This latest judgment confirms that Defined Benefit Schemes which provide GMPs need to revisit and where necessary top up historic Cash Equivalent Transfer Values that were calculated based on unequalised benefits. The issues determined by the judgment arise in relation to many other Defined Benefit Pension Schemes. The Trustee has taken advice on the GMP equalisation method to adopt and a project team has been set up. The Scheme's GMP equalisation project was completed during the year and member payments have been arranged.

The Trustee of the Scheme is aware that the issue will affect the Scheme and has considered this at several meetings, with decisions having been made as to the next steps. The Scheme made a payment of approx. £434k in relation to GMP equalisation back-payments in the March 2025 pension payroll. Any further adjustments necessary will be recognised in future accounts.

Scheme Audit

The financial statements on pages 17 to 24 have been prepared and audited in accordance with regulations made under sections 41(1) and (6) of the Pensions Act 1995.

Scheme membership

	Number as at start of year	Changes in year	Number as at end of year
Deferred members	326		
adjustment		2	
retired		(19)	
died		(1)	
		(18)	308
Pensioners and dependants	304		
new pensioners		19	
new dependant		4	
died		(6)	
		17	321
Total members	630		629

The member numbers shown above reflect the number of member records held by the Scheme. The adjustment is in relation to members with more than one record but who were only counted as one in the prior year.

There are no (2024: none) pensions included within the pensioners and dependants, who are paid from annuities held in the name of the Trustee.

The Trustee's Report (Cont)

Pension increases

The pension increases applied to pensions in payment as at 1 April 2025 were as follows:

- Pensions in excess of the Guaranteed Minimum Pension, accrued prior to 6 April 1997: 2.7% per annum
- Pensions accrued between 6 April 1997 and 6 April 2005: 1.7% per annum (this being the lower of 5% or the increase in the Retail Price Index)
- Pensions accrued after 6 April 2005: 1.7% per annum (this being the lower of 2.5% or the increase in the Retail Price Index)

No discretionary increases were applied during the year.

Transfer values

All cash equivalents (transfer values) paid during the year were calculated and verified in the manner required by the Pension Schemes Act 1993. No discretionary benefits are included in the calculation of transfer values.

A cash equivalent is the amount which a Scheme member is entitled under social security legislation to have applied as a transfer payment to another permitted pension arrangement or a buy-out policy.

Tax status of Scheme

The Scheme is a registered pension scheme under Chapter 2 of Part 4 of the Finance Act 2004 and, to the Trustee's knowledge, there is no reason why the Scheme's registered status should be prejudiced or withdrawn.

Data Protection Act 2018 and General Data Protection Regulation

Under the General Data Protection Regulation (GDPR) and the Data Protection Act 2018 regulations, Pension Scheme Trustees are classed as data controllers, with legal responsibility for compliance falling to them. Scheme Actuaries are also classed as data controllers (jointly with the trustees) in accordance with guidance issued by the Actuarial Profession. Barnett Waddingham LLP act as a data processer as the administrators of the Scheme.

The Trustee has worked with their advisers to receive relevant training and continue to do so to ensure continued compliance with data protection legislation.

Codes of Practice

The Trustee is aware of and adhere to the Codes of Practice issued by The Pensions Regulator ("TPR"). The objectives of these codes are to protect members' benefits, reduce the risk of calls on the Pension Protection Fund ("PPF") and to promote good administration.

Ruling on amendments of Contracted-Out Salary-Related pension schemes

The Virgin Media Ltd v NTL Pension Trustees II decision, handed down by the High Court on 16 June 2023, considered the implications of section 37 of the Pension Schemes Act 1993. In a judgment delivered on 25 July 2024, the Court of Appeal unanimously upheld the decision of the High Court and the case has the potential to cause significant issues in the pensions industry. The Government announced on 5 June 2025 that it will introduce legislation to give affected pension schemes the ability to retrospectively obtain written actuarial confirmation that historic benefit changes met the necessary standards. The Trustee will investigate the possible implications with its advisers in due course, but it is not possible at present to estimate the potential impact, if any, on the Scheme.

The Trustee's Report (Cont)

The Pensions Regulator: Record Keeping

TPR issues guidance on all aspects of Pension Scheme data record keeping to all those responsible for the data (the trustees) and those who administer Pension Schemes. The guidance covers both common data and Scheme-specific data (conditional). The guidance sets out good practice in helping trustees to assess risks associated with record keeping. Improved data means that trustees and employers will be able to make a more precise assessment of their financial liabilities. Schemes are expected to keep their data under regular review and set targets for the improvement in the standard of data recorded.

More information can be found at:

https://www.thepensionsregulator.gov.uk/en/trustees/contributions-data-and-transfers/record-keeping

Contact for further information

If you wish to obtain further information about the Scheme, including copies of the Scheme documentation, please write to the Scheme Secretary:

Greggs House, Quorum Business Park, Longbenton, Newcastle upon Tyne, NE12 8BU
Alternatively, you may contact the Scheme Secretary by email at:

finalsalary@greggs.co.uk

If you have any queries about your own pension position or who to contact in the event of a problem or complaint, please write to:

Barnett Waddingham LLP, 11 Wellington Street, Leeds, LS1 4DL

Alternatively, you may contact the Scheme administrators online at:

Greggs@Barnett-Waddingham.co.uk

The Trustee's Report (Cont)

Statement of Trustee's Responsibilities

The financial statements, which are prepared in accordance with UK Generally Accepted Accounting Practice, including the Financial Reporting Standard applicable in the UK (FRS 102) is the responsibility of the Trustee. Pension Scheme regulations require, and the Trustee is responsible for ensuring, that those financial statements:

- show a true and fair view of the financial transactions of the Scheme during the Scheme year and of the amount and disposition at the end of the Scheme year of its assets and liabilities, other than liabilities to pay pensions and benefits after the end of the Scheme year, and
- contain the information specified in Regulation 3A of The Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, including a statement whether the financial statements have been prepared in accordance with the relevant financial reporting framework applicable to Occupational Pension Schemes.

In discharging the above responsibilities, the Trustee is responsible for selecting suitable accounting policies, to be applied consistently, making any estimates and judgements on a prudent and reasonable basis, and for the preparation of the financial statements on a going concern basis unless it is inappropriate to presume that the Scheme will not be wound up.

The Trustee is also responsible for making available certain other information about the Scheme in the form of an annual report.

The Trustee also has a general responsibility for ensuring that adequate accounting records are kept and for taking such steps as are reasonably open to them to safeguard the assets of the Scheme and to prevent and detect fraud and other irregularities including the maintenance of an appropriate system of internal control.

The Trustee is responsible under pensions legislation for preparing, maintaining and from time to time reviewing and if necessary revising a schedule of contributions showing the rates of contributions payable towards the Scheme by or on behalf of the Sponsor and the dates on or before which such contributions are to be paid. The Trustee is also responsible for keeping records in respect of contributions received and for adopting risk-based processes to monitor whether contributions are made to the Scheme by the Sponsor in accordance with the schedule of contributions. Where breaches of the schedule occur, the Trustee is required by the Pensions Acts 1995 and 2004 to consider making reports to The Pensions Regulator and the members.

The Trustee is responsible for the maintenance and integrity of the pension and financial information included on the Scheme's website.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustee's Report (Cont)

Report on Actuarial Liabilities

Under Section 222 of the Pensions Act 2004, the Scheme is subject to the Statutory Funding Objective, which is to have sufficient and appropriate assets to cover its Technical Provisions. The Technical Provisions represent the present value of the benefits members are entitled to at the valuation date. This is assessed using the assumptions agreed between the Trustee and the Employer and set out in the Statement of Funding Principles, which is available to Scheme members on request.

The most recent full actuarial valuation of the Scheme was carried out as at 6 April 2023. This showed that on that date:

The value of the Technical Provisions was:	£101.9 million
The value of the assets was:	£98.0 million

Therefore, the Plan had a funding deficit of £3.9 million corresponding to a funding level of 96%.

Since the valuation the Trustee has purchased a buy in policy with Aviva on 22 May 2024 to secure future benefits for all members of the Scheme. This policy does not precisely match all benefits for all members as the Scheme is in the process of cleansing all data, including amending benefits to allow for GMP equalisation but an additional premium will be paid to Aviva to secure all benefits once this data cleansing has been finalised. In preparation for the buy in policy transaction, the Employer paid £4.5 million to the Scheme on 15 April 2024.

The method and significant actuarial assumptions used to determine the Technical Provisions are as follows (all assumptions adopted are set out in the Statement of Funding Principles):

Method

The actuarial method to be used in the calculation of the technical provisions is the Defined Accrued Benefit Method.

Significant actuarial assumptions

Discount interest rate: term dependent rates set by reference to the fixed interest gilt curve (as derived from Bank of England data) at the valuation date, plus an addition of 0.25% p.a. for the expected return on non-gilt investments, as determined on a prudent basis.

Future Retail Price Index inflation (RPI): term dependent rates set by reference to implied RPI inflation (as derived from Bank of England data substituted with Merrill Lynch data for the first three years).

Future Consumer Price Index inflation (CPI): calculated as the assumed rate of RPI inflation less a deduction of 1% p.a. for terms prior to 2030 and no deduction after 2030.

Pension increases: derived from the rates for future RPI and CPI inflation, allowing for the caps and floors on pension increases according to the provisions in the Scheme's Rules.

Mortality: assumed to be in line with 95% of the standard tables S3xPA (M/F). The allowance for future improvements is based on the Core CMI 2019 projection table, with long term improvements of 1.75% p.a. with no initial additional parameter.

Cash commutation: assumed that all members take 90% of the maximum amount of tax-free cash at retirement based on the commutation terms current at the valuation date.

Recovery Plan: A Recovery Plan has been agreed that was designed to eliminate the funding shortfall of £3.9 million by 15 April 2024, through payment by the Employer of a single payment of £4.5 million on 15 April 2024.

The Trustee's Report (Cont)

Buy In Provider

The Scheme's Trust Deed and Rules permit the Trustee to delegate the task of investment management to outside experts. The Trustee set the investment strategy for the Scheme after taking advice from the Scheme's investment adviser. The Trustee has entered into an insurance policy with Aviva which covers the benefits of the members of the Scheme.

When choosing investments, the Trustee and the insurance provider (to the extent delegated) are required to have regard to the criteria set out in the following:

- the Pensions Act 1995, as amended by the Pensions Act 2004; and
- the Occupational Pension Schemes (Investment) Regulations 2005 (regulation 4), as amended by the Occupational Pension Schemes (Investment) (Amendment) Regulations 2010, the Occupational Pension Schemes (Charges and Governance) Regulations 2015 and incorporates changes as required by The Pension Protection Fund (Pensionable Service) and Occupational Pension Schemes (Investment and Disclosure) (Amendment and Modification) Regulations 2018.

Regulation 2 of the Occupational Pension Schemes (Investment) Regulations 2005 requires that the Trustee's duties also include:

- taking into account social, environmental or ethical considerations in the selection, retention and realisation of investments; and
- voting and corporate governance in relation to the Scheme's assets.

Investment principles

In accordance with Section 35 of the Pensions Act 1995, the Trustee has prepared a Statement of Investment Principles which sets out the principles governing how the Scheme's assets are invested. The Trustee has included a statement on the extent to which social, environmental and ethical considerations are taken into account in investment decision making. A copy is available from the Scheme Secretary or online from the Scheme website https://www.greggspensions.co.uk/greggs-final-salary-scheme. The Implementation Statement, which is part of the Trustee's Report, is included on page 28. It sets out how the Statement of Investment Principles has been followed during the Scheme year.

Changes to the strategy during the year ended 5 April 2025

On 22 May 2024, the Trustee entered into an insurance contract with Aviva, with a value of £94.2m, to insure the benefits of all of the Scheme's pensioner and deferred members. The buy-in policy is an asset of Scheme and is in line with the Trustee's de-risking investment strategy for the Scheme.

Until 22 May 2024, the Scheme's assets were held solely with Legal & General Investment Management ("LGIM").

The Trustee's Report (Cont)

Changes to the strategy during the year ended 5 April 2025 (Cont)

Until 22 May 2024, the LGIM assets were invested in a corporate bond fund, together with a Liability Driven Investment ("LDI") mandate which aimed to track the changes in the value of a proportion of the liabilities, to reduce the volatility of the Scheme's funding position.

On 22 May 2024, all of the Scheme's assets (with the exception of residual cash in the trustee bank account) were transferred to Aviva as an insurance premium.

The Scheme's investment strategy at the end of the year was to hold:

- 100% buy in policy with Aviva

At the year ended 5 April 2025 the Scheme's assets were invested as follows:

	2025		2024	
Corporate Bonds	-	-	28,871	31.5
LDI	-	-	56,970	62.2
Total Matching Assets	**-**	**-**	**85,841**	**93.7**
Cash	-	-	5,783	6.3
Total Assets	**-**	**-**	**91,624**	**100**
Buy In Policy	**85,400**	**100**	**-**	**-**

All the investments that the Scheme invested in at 5 April 2024 were quoted on recognised stock exchanges, except cash balances listed. The pooled investment vehicles that were managed by LGIM on behalf of the Scheme are priced and traded weekly.

The Aviva buy-in policy is not readily marketable or liquid but plays a key role in the Scheme's de-risking journey. The Trustee does not expect to exit the buy-in policy.

The Trustee's Report (Cont)

Economic and market conditions

The US economy grew strongly in 2024, supported by consumer demand and government spending, but more recent survey data points to slowing growth in Q1. The UK economy grew modestly, after a strong first half. The Eurozone also experienced growth, but manufacturing weakness weighed on the region. Ostensibly solid growth in China masks divergence within the economy: export-led growth and inventory building has offset weak domestic demand.

Year-on-year headline inflation fell to 2.6%, 2.4% and 2.2% in the UK, US and Eurozone, respectively. Core inflation, which excludes volatile food and energy prices, also fell but remains above the headline measure across regions, at 3.4%, 2.8% and 2.4% in the UK, US and Eurozone.

The US Federal Reserve and European Central Bank lowered rates 1% pa and 1.5% pa, to 4.25–4.5% pa and 2.5% pa, respectively. Given underlying inflation pressures, the Bank of England lowered rates more slowly, but still cut by 0.75% pa, to 4.5% pa. The Bank of Japan raised rates 0.4% pa, to 0.5% pa.

US 10-year yields were volatile but ended the period where they started, at 4.2% pa. Meanwhile, German yields climbed 0.4% pa as investors anticipated heavier issuance and stronger growth after government spending pledges on defence and infrastructure. UK yields rose 0.7% pa, to 4.7% pa, as the Autumn Budget implied higher gilt issuance. Japanese yields increased 0.8% pa on persistent inflation and monetary policy normalisation.

European investment-grade credit spreads narrowed, driven by optimism around fiscal support, with sterling investment-grade spreads falling 0.1% pa, to 1.1% pa. US speculative-grade spreads rose 0.4% pa, to 3.5% pa, while equivalent European spreads fell 0.3% pa, to 3.3% pa.

Despite falling in Q1 as sentiment towards US assets faltered, the trade-weighted US dollar rose 4%. The Japanese trade-weighted yen gained 2.2% on narrowing interest-rate differentials, while equivalent sterling and euro measures rose 2.6% and 0.4%. Oil prices fell 14.5% as slowing growth affected the demand outlook, while gold surged 41.4% to all-time highs amid rising economic uncertainty.

Global equities rose 8.0% over the period, with falls in Q1 2025. Emerging outperformed, supported by policies announced by Chinese authorities in mid-2024 and renewed optimism towards Chinese technology stocks. The UK outperformed thanks to its above-average exposure to financials, while strong consumer spending supported modest US outperformance. European stocks underperformed on a more cautious outlook for luxury consumer discretionary companies. Japan was the worst-performing region as yen strength and trade headwinds affected the export-oriented market.

The MSCI UK Monthly Property Total Return Index rose 8.5% in 2024, as a 2.5% gain in aggregate capital values supplemented income: industrials and retail values rose 5.1% and 2.9%, respectively, while offices fell 3.1%.

Implementation Statement

The Implementation Statement which forms part of the Trustee's Report is included on pages 28 to 29.

Approval of Trustee's Report

This report was approved by the Trustee on

Date: 23/09/25

Signed on behalf of the Trustee:

D Brown	A J Davison
Trustee	Trustee

Summary of contributions payable in the year

Trustee's responsibilities in respect of contributions

The Scheme's Trustee is responsible under pensions legislation for ensuring that there is prepared, maintained and from time to time revised a schedule of contributions showing the rates of contributions payable towards the Scheme by or on behalf of the Employer and the dates on or before which such contributions are to be paid. The Scheme's Trustee is also responsible for keeping records of contributions received and for monitoring that contributions are made to the Scheme in accordance with the schedule.

Trustee's Summary of Contributions payable under the Schedule of Contributions in respect of the Scheme year ended 5 April 2025

This summary of contributions has been prepared by, or on behalf of, and is the responsibility of the Trustee. It sets out the Employer and member contributions payable to the Scheme in accordance with the schedules of contributions certified by the Actuary on 21 June 2021 & 21 May 2024 in respect of the Scheme year ended 5 April 2025. The Scheme Auditor reports on contributions payable to under the Schedules of Contributions in the Auditor's Statement about Contributions.

During the year, the contributions payable to the Scheme by the Employer under the Schedules of Contributions were as follows:

	£
Employer deficit funding contributions	4,500,000
Reconciliation to the financial statements: Contributions payable under the Schedules of Contributions (As reported in the financial statements and as reported on by the Scheme Auditor)	4,500,000

Signed on behalf of the Trustee:

D Brown
Trustee

A J Davison
Trustee

Date: 23/09/25

Independent Auditor's Statement about Contributions, under Regulation 4 of The Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, to the Trustee of the Greggs plc 1978 Retirement and Death Benefit Scheme

Statement about Contributions payable under schedule of contributions

We have examined the summary of contributions payable to the Greggs plc 1978 Retirement and Death Benefit Scheme on page 12, in respect of the Scheme year ended 5 April 2025.

In our opinion the contributions for the Scheme year ended 5 April 2025 as reported in the attached summary of contributions on page 12 and payable under the schedules of contributions have in all material respects been paid at least in accordance with the schedules of contributions certified by the Actuary on 21 June 2021 & 21 May 2024.

Scope of work on statement about contributions

Our examination involves obtaining evidence sufficient to give reasonable assurance that contributions reported on page 12 have in all material respects been paid at least in accordance with the schedules of contributions. This includes an examination, on a test basis, of evidence relevant to the amounts of contributions payable to the Scheme and the timing of those payments under the schedules of contributions.

Respective responsibilities of Trustee and the auditor

As explained more fully on page 12 in the Statement of Trustee's Responsibilities, the Scheme's Trustees is responsible for ensuring that there is prepared, maintained and from time to time revised a schedule of contributions showing the rates and due dates of certain contributions payable towards the Scheme by or on behalf of the Employer. The Trustee is also responsible for monitoring whether contributions are made to the Scheme by the employer in accordance with the schedule of contributions.

It is our responsibility to provide a statement about contributions paid under the schedule of contributions and to report our opinion to you.

Use of our statement

This statement is made solely to the Scheme's Trustee as a body, in accordance with the Pensions Act 1995. Our audit work has been undertaken so that we might state to the Scheme's Trustee those matters we are required to state to them in an auditor's statement and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Scheme and the Scheme's Trustee as a body, for our audit work, for this statement, or for the opinions we have formed.

RSM UK Audit LLP

RSM UK Audit LLP
Statutory Auditor
Chartered Accountants
Third Floor, Centenary House
69 Wellington Street
Glasgow G2 6HG

Date: 25/09/25

Independent Auditor's Report to the Trustee of the Greggs plc 1978 Retirement and Death Benefit Scheme

Opinion

We have audited the financial statements of The Greggs plc 1978 Retirement and Death Benefit Scheme for the year ended 5 April 2025 which comprise the fund account, the statement of net assets (available for benefits) and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- show a true and fair view of the financial transactions of the Scheme during the year ended 5 April 2025, and of the amount and disposition at that date of its assets and liabilities, other than the liabilities to pay pensions and benefits after the end of the year;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- contain the information specified in Regulation 3A of the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, made under the Pensions Act 1995.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Scheme in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Scheme's Trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Scheme's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Scheme's Trustee with respect to going concern are described in the relevant sections of this report.

Independent Auditor's Report (Cont)

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Scheme's Trustee is responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information, and in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of the Trustee

As explained more fully in the Trustee's responsibilities statement set out on page 6 the Trustees is responsible for the preparation of financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees is responsible for assessing the Scheme'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 the Trustee either intends to liquidate the Scheme or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

Independent Auditor's Report (Cont)

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the environment, including the legal and regulatory frameworks that the Scheme operates in and how the Scheme is complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures, we consider the most significant laws and regulations that have a direct impact on the financial statements are the Pensions Act 1995 and 2004 and regulations made under them and FRS 102, including the Financial Reports of Pension Schemes 2018 (the Pensions SORP).

We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at http://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Scheme's Trustee as a body, in accordance with Regulation 3 of the Occupational Pension Schemes (Requirements to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996 made under the Pensions Act 1995. Our audit work has been undertaken so that we might state to the Scheme's Trustee 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 Scheme and the Scheme's Trustee as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP

RSM UK Audit LLP
Statutory Auditor
Chartered Accountants
Third Floor, Centenary House
69 Wellington Street
Glasgow
G2 6HG

Date: 25/09/25

Fund Account

for the year ended 5 April 2025

	Note	5 April 2025 £'000	5 April 2024 £'000
Contributions and benefits			
Employer contributions		4,500	-
Total contributions	4	4,500	-
Benefits paid or payable	5	(4,722)	(4,344)
Administrative expenses	6	(1)	(1)
		(4,723)	(4,345)
Net withdrawals from dealings with members		(223)	(4,345)
Returns on investments			
Investment income	7	3,213	22
Change in market value of investments	8	(10,664)	(178)
Investment management expenses	10	(7)	(76)
Net returns on investments		(7,458)	(232)
Net decrease in the fund during the year		(7,681)	(4,577)
Net assets of the Scheme			
At 6 April		93,428	98,005
At 5 April		85,747	93,428

The notes on pages 19 to 24 form part of these financial statements.

Statement of Net Assets (available for benefits)

available for benefits as at 5 April 2025

	Note	5 April 2025	5 April 2024
		£'000	£'000
Investment assets:	8		
Pooled investment vehicles	11	-	91,624
AVC investments	12	2	35
Insurance policies	13	85,400	-
		85,402	91,659
Investment liabilities:			
Other investment balances	8	(268)	-
		85,134	91,659
Current assets	17	691	1,854
Current liabilities	18	(78)	(85)
Net assets of the Scheme at 5 April available for benefits		85,747	93,428

The financial statements summarise the transactions of the Scheme and deal with the net assets at the disposal of the Trustee. They do not take account of obligations to pay pensions and benefits which fall due after the end of the Scheme year. The actuarial position of the Scheme, which takes into account such obligations, is dealt with in the Report on Actuarial Liabilities on page 7 of the Annual Report and these financial statements should be read in conjunction with this report.

The notes on pages 19 to 24 form part of these financial statements.

These financial statements were approved by the Trustee on

Date: 23/09/25

Signed on behalf of the Trustee:

D Brown — Trustee

A J Davison — Trustee

Notes to the Financial Statements

1. Basis of preparation

The individual financial statements have been prepared in accordance with the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, Financial Reporting Standard 102 – The Financial Reporting Standard applicable in the UK and Republic of Ireland, and the guidance set out in the Statement of Recommended Practice (Revised 2018).

2. Identification of the financial statements

The Scheme is established as a trust under English law. The address for enquiries to the Scheme is included in the Trustee's Report.

3. Accounting policies

The principal accounting policies of the Scheme, which are applied consistently, are as follows:

Currency

- The Scheme's functional and presentational currency is pounds sterling.

Contributions

- Employer deficit funding contributions are accounted for on the due dates on which they are payable under the Schedule of Contributions or on receipt if earlier with the agreement of the Employer and the Trustee.

Payments to members

- Pensions in payment are accounted for in the period to which they relate.
- Benefits are accounted for in the period in which the member notifies the Trustee of his decision on the type or amount of benefit to be taken, or if there is no member choice, on the date of retiring or leaving.
- Individual transfers out of the Scheme are accounted for when member liability is discharged which is normally when the transfer amount is paid.

Expenses

- Expenses are accounted for on an accruals basis.
- Investment management expenses are accounted for on an accruals basis.

Investment income

- Income from pooled investment vehicles is accounted for when declared by the fund manager.
- Receipts from the buy in policy and legacy annuity policies are accounted for as investment income on an accruals basis.
- Investment income arising from the underlying investments of the pooled investment vehicles is reinvested within the pooled investment vehicles and reflected in the unit price. Thus, it is reported within "Change in market value".

Investments

- The change in market value of investments during the year comprises all increases and decreases in the market value of investments held at any time during the year, including profits and losses realised on sales of investments during the year.
- Unitised pooled investment vehicles have been valued at the latest available bid price or single price provided by the pooled investment manager.
- With profit AVCs are reported at the policy value provided by the insurance company based on the cumulative reversionary bonuses declared and the current terminal bonus.
- The Trustee holds legacy annuity policies with Aviva Life and Pension Services Limited that secure pensions payable to specified beneficiaries. These policies remain the assets of the Trustee, but they are not deemed sufficiently material to require inclusion in the financial statements.
- The buy in policy has been valued at the estimated present value of future obligations by the Scheme Actuary using the most recent Scheme Funding valuation assumptions updated for market conditions at the reporting date.

Notes to the Financial Statements (Cont)

4. Contributions

	2025	2024
	£'000	£'000
Employer contributions		
Deficit funding	4,500	-

Following the actuarial valuation as at 5 April 2023, a new schedule of contributions came in place which requires deficit funding contribution of £4.5m to be paid in April 2024. This contribution was paid into the Scheme on 16 April 2024.

5. Benefits paid or payable

	2025	2024
	£'000	£'000
Pensions	3,847	3,538
Commutation of pensions and lump sum retirement benefits	865	796
Lump sum death benefits	10	10
	4,722	4,344

During the year, the GMP equalisation project was completed and back payments of approx. £434k were included in the March 2025 payroll. This has been included in Pensions above.

6. Administrative expenses

	2025	2024
	£'000	£'000
Bank charges	1	1

All other administrative expenses are met by the Employer.

7. Investment income

	2025	2024
	£'000	£'000
Interest on cash deposits	23	22
Income from buy in policy	3,190	-
	3,213	22

Notes to the Financial Statements (Cont)

8. Reconciliation of investments

	Value at 5 April 2024 £'000	Purchases at cost £'000	Sales proceeds £'000	Change in market value £'000	Value at 5 April 2025 £'000
Pooled investment vehicles	91,624	21,891	(111,692)	(1,823)	-
AVC investments	35	-	(36)	3	2
Buy in policies	-	94,244	-	(8,844)	85,400
	91,659	116,135	(111,728)	(10,664)	85,402
Other investment balances	-				(268)
	91,659				85,134

Indirect costs are incurred through the bid-offer spread on investments within pooled investment vehicles and charges made within those vehicles. The amount of indirect costs is not separately provided to the Scheme.

The annuity valuation has changed from the date of the transaction and the year end, with an associated movement in liabilities. This is primarily due to changes in market conditions and the payment of benefits since the buy in.

9. Taxation

The Scheme is a registered pension scheme under Chapter 2 of Part 4 of the Finance Act 2004 and is therefore exempt from income tax and capital gains tax.

10. Investment management expenses

	2025 £'000	2024 £'000
Administration, management and custody	7	76

The Schedule of Contributions certified on 21 June 2021 states that the investment manager fees will be borne by the Scheme.

11. Pooled investment vehicles

The Scheme's investments in pooled investment vehicles at the year-end comprised:

	2025 £'000	2024 £'000
Bonds	-	28,871
LDI Funds	-	56,970
Cash funds	-	5,783
	-	91,624

Notes to the Financial Statements (Cont)

12. AVC investments

The Trustee holds assets invested separately from the main investments to secure additional benefits on a money purchase basis for those members electing to pay Additional Voluntary Contributions. Members participating in this arrangement each receive an annual statement made up to the Scheme year-end confirming the amounts held to their account and the movements in the year. The aggregate amounts of AVC investments are as follows:

	2025	2024
	£'000	£'000
Aviva (unitised)	2	35

13. Buy in policies

The Scheme held buy in policies at the year-end as follows:

	2025	2024
	£	£
Buy in policy with Aviva	85,400	-

14. Fair value determination

The fair value of financial instruments has been estimated using the following fair value hierarchy:

Level 1: The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Level 3: Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

The Scheme's investment assets and liabilities have been fair valued using the above hierarchy levels as follows:

	As at 5 April 2025			
	Level 1	Level 2	Level 3	Total
	£'000	£'000	£'000	£'000
Pooled investment vehicles	-	-	-	-
AVC investments	-	-	2	2
Buy in policies	-	-	85,400	85,400
Other investment balances	(268)	-	-	(268)
	(268)	-	85,402	85,134

	As at 5 April 2024			
	Level 1	Level 2	Level 3	Total
	£'000	£'000	£'000	£'000
Pooled investment vehicles	-	91,624	-	91,624
AVC investments	-	-	35	35
	-	91,624	35	91,659

Notes to the Financial Statements (Cont)

15. Investment risk disclosures

Investment risks

FRS102 requires the disclosure of information in relation to certain investment risks as follows:

- Credit risk – one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.
- Market risk – comprises the following three types of risk:
    1. Interest rate risk: The risk that the fair value or future cashflows of a financial asset will fluctuate because of changes in market interest rates.
    2. Currency risk: The risk that the fair value or future cashflows of a financial asset will fluctuate because of changes in foreign exchange rates.
    3. Other price risk: The risk that the fair value or future cashflows of a financial asset will fluctuate because of changes in market prices (other than those due to interest rates and currency).

The insurance policy exposes the Scheme to a degree of insurance provider risk (a form of direct credit risk), i.e. the risk that AVIVA fails to meet their obligations to the Scheme and its members. The Trustee expects the insurance provider risk to be addressed through the supervisory regime applicable to insurance companies within the UK. The Trustee monitors the monthly payments of benefits from the insurer to the Scheme. The Trustee has mitigated systemic risk through the purchase of the Policy, but it is not possible to make specific provision for all possible eventualities that may arise under this heading.

The Trustee recognises that a decision to purchase a buy-in policy with a single insurance provider represents a concentration of risk and has addressed this through scrutiny during the formal selection process of the provider, which included obtaining suitability advice from individuals with appropriate knowledge and experience.

The Scheme is also subject to interest rate risk arising from the policy with AVIVA however, by design of the policy, this is fully offset by the interest rate risk associated with the insured liabilities.

16. Concentration of investments

The following investment accounts for more than 5% of the Scheme's net assets at the year-end:

	2025		2024	
	£'000	%	£'000	%
Aviva Buy in policy	85,400	99.6	-	-
LGIM Investment Grade Corporate Bond All Stocks Index Fund	-	-	28,871	30.8
LGIM 2035 Index Linked Gilt	-	-	6,320	6.7
LGIM Sterling Liquidity Fund	-	-	5,783	6.2

17. Current assets

	2025	2024
	£'000	£'000
Amount due from Employer	1	1
Prepayments	266	256
Cash balances	424	1,597
	691	1,854

Notes to the Financial Statements (Cont)

18. Current liabilities

	2025	2024
	£'000	£'000
Sundry creditors	(1)	(1)
Unpaid benefits	(77)	(65)
Accrued expenses	-	(19)
	(78)	(85)

19. Related party transactions

PPF levies and other administrative costs are borne by the Employer, Greggs plc, and paid on behalf of the Scheme.

Fee paid to Trustee Directors during the year was £63,084 (2024: £58,498).

At the year-end, £1,106 (2024: £1,106) was payable to the Scheme by the Employer.

20. GMP Equalisation

As explained on page 3 in the Trustee's Report, on 26 October 2018, the High Court handed down a judgement involving the Lloyds Banking Group's Defined Benefit Pension Schemes. The judgement concluded the Schemes should be amended to equalise pension benefits for men and women in relation to guaranteed minimum pension benefits. The issues determined by the judgement arise in relation to many other Defined Benefit Pension Schemes.

On 20 November 2020, the High Court handed down a second judgment involving the Lloyds Banking Group's Defined Benefit Pension Schemes. This latest judgment confirms that defined benefit schemes which provide GMPs need to revisit and where necessary top up historic Cash Equivalent Transfer Values that were calculated based on unequalised benefits. Again, the issues determined by the judgment arise in relation to many other Defined Benefit Pension Schemes. Any adjustments necessary will be recognised in the financial statements in future years. The Trustee does not expect the GMP equalisation on historic benefits and transfers to be material to the Scheme and will account for it when the liability is determined. The Scheme made a payment of approx. £434k in relation to GMP equalisation back-payments in the March 2025 pension payroll.

21. Ruling on amendments of Contracted-Out Salary-Related pension schemes

The Virgin Media Ltd v NTL Pension Trustees II decision, handed down by the High Court on 16 June 2023, considered the implications of section 37 of the Pension Schemes Act 1993. In a judgment delivered on 25 July 2024, the Court of Appeal unanimously upheld the decision of the High Court and the case has the potential to cause significant issues in the pensions industry. The Government announced on 5 June 2025 that it will introduce legislation to give affected pension schemes the ability to retrospectively obtain written actuarial confirmation that historic benefit changes met the necessary standards. The Trustee will investigate the possible implications with its advisers in due course, but it is not possible at present to estimate the potential impact, if any, on the Scheme.

Certification of Schedule of Contributions

Certification of the Schedule of Contributions

Adequacy of rates of contributions

I certify that, in my opinion, the rates of contributions shown in this Schedule of Contributions are such that the Statutory Funding Objective can be expected to continue to be met for the period for which the schedule is expected to be in force.

Adherence to Statement of Funding Principles

I hereby certify that, in my opinion, this Schedule of Contributions is consistent with the Statement of Funding Principles dated May 2024.

The certification of the adequacy of the rates of contributions for the purpose of securing that the Statutory Funding Objective can be expected to be met is not a certification of their adequacy for the purpose of securing the Scheme's liabilities by the purchase of annuities, if the Scheme were to be wound up.

Signature:	DocuSigned by:	Date:	21 May 2024
Name:	Ben Roach	Qualification:	Fellow of the Institute and Faculty of Actuaries
Address:	Pinnacle 67 Albion Street Leeds LS1 5AA	Employer:	Barnett Waddingham LLP

Schedule of Contributions

Status

This Schedule of Contributions has been prepared by the Trustee of the Greggs plc 1978 Retirement and Death Benefit Scheme ("the Scheme"), after obtaining the advice of the Scheme Actuary appointed by Trustee.

This document is dated May 2024 and supersedes all earlier versions. The Schedule of Contributions will be subject to review following the next actuarial valuation of the Scheme which is expected to take place with an effective date of 5 April 2026.

Contributions to be paid by Greggs Plc (the Employer) from 6 April 2023 to 31 May 2029

In respect of the funding deficit of £3,894,000 as set out in the Recovery Plan dated May 2024, it is hereby confirmed that the Employer paid a contribution of £4,500,000 into the Scheme on 15 April 2024 which satisfies all funding obligations to date under that Recovery Plan.

The Employer shall, within 10 Business Days of a request in writing from the Trustee requiring it to do so, pay further amounts into the Scheme in the circumstances set out at 1 to 5 below:

1. as is required to fund the purchase of an insurance policy or policies to secure the liabilities of the Scheme (a "Buy-in Policy") and to the extent that the assets of the Scheme (excluding moneys held in the Trustee bank account which for the avoidance of doubt shall have at least two months' pensioner payroll standing to its credit) at that date are insufficient to fund fully either the required initial insurance premium, final balancing premium or other premium in relation to the Buy-in Policy, to cover such shortfall against the premium;

2. following the purchase of the Buy-in Policy, to ensure there are sufficient assets in the Scheme, as determined by the Trustee, to meet any member options (e.g. full commutations or CETV requests) and/or lump sum payments determined in accordance with the Scheme rules and/or the benefit specification relating to the Buy-In Policy;

3. following purchase of the Buy-in Policy, to ensure that there are assets in the Scheme, as determined by the Trustee, that are sufficient to meet at least two months' pensioner payroll;

4. following purchase of the Buy-in Policy, equal to the amount of any one or more pensioner payroll payments that the insurer fails to pay to the Scheme on or before the due date, to cover such missed pensioner payroll payments; and

5. to ensure there are sufficient assets in the Scheme (including any moneys held in the Trustee bank account) for the Trustee to pay the expenses of the Scheme not otherwise being met by the Employer.

The Trustee and the Employer hereby confirm that:

- it is not their intention that a surplus is built up in the Scheme;
- It is not their intention to alter the way in which member options are provided and the assumptions by which scheme liabilities are costed in such a manner as would increase the Employer's costs in relation to the Trustee's securing all of the liabilities of the Scheme, and if

Schedule of Contributions (Cont)

such changes are made, the Employer's agreement will be required to meet any additional contribution required as a result of such change; and

- They intend to exercise their respective powers to seek to mitigate the Employer's obligation to pay contributions to the Scheme as far as is reasonable to secure all of the liabilities of the Scheme, and is consistent with the Trustee's obligations and powers under the Scheme rules and regulatory requirements relating to the Scheme.

Prior to making a request to the Employer to pay further amounts into the Scheme in the circumstances set out above, the Trustee shall:

a) (unless agreed otherwise with the Employer) consult the Scheme Actuary (and take legal advice, as necessary);

b) consult the Employer and provide such verification as the Employer may reasonably request in relation to the amount of contribution requested and how it has been calculated; and

c) act reasonably, having regard, at the material time, to the circumstances of the Scheme.

In the event the Employer does not make the payments set out above when they are due then interest shall be added to the late or missed payment(s) using the Bank of England base rates that were applicable over the period of the late payment.

The Employer shall separately pay any levies payable to the Pensions Regulator and the Pension Protection Fund.

Except in relation to investment management fees, which will at all times be borne by the Scheme, the Employer shall separately pay the expenses associated with administering and operating the Scheme, unless the Employer has not paid such expenses within a reasonable period set by the Trustee, in which event the Trustee may decide to pay the expenses from Scheme assets.

The Employer may pay contributions in addition to the amounts shown above at any time. Any contributions paid at a rate higher than that required at that time can be offset against later payments due at the request of the Employer.

This Schedule has been agreed by the Trustee and Greggs Plc.

DocuSigned by:
David Brown
8272D7C2467E410...
Signed on behalf of Greggs plc 1978 Retirement and Death Benefit Scheme

19 May 2024
Date

DocuSigned by:
Richard Hutton
Signed on behalf of Greggs Plc

21 May 2024
Date

The Greggs plc 1978 Retirement and Death Benefit Scheme – Implementation Statement

Statement of Compliance with the Greggs plc 1978 Retirement and Death Benefit Scheme's Stewardship Policy for the year ended 5 April 2025.

Introduction

This is the Trustee's statement prepared in accordance with the requirements of the Occupational Pension Schemes (Investment and Disclosure) (Amendment) Regulations 2019. This statement sets out how the Trustee has complied with the Scheme's Stewardship Policy (as set out in the Statement of Investment Principles) during the period from 6 April 2024 to 5 April 2025.

Stewardship policy

The Trustee's Stewardship (voting and engagement) Policy sets out how the Trustee will behave as an active owner of the Scheme's assets which includes the Trustee's approach to;

- the exercise of voting rights attached to assets; and
- undertaking engagement activity, including how the Trustee monitors and engages with its investment managers and any other stakeholders.

The Trustee's Stewardship Policy is reviewed on a periodic basis in line with the Scheme's Statement of Investment Principles (SIP) review which was last completed in December 2024. You can review the Scheme Stewardship Policy which can be found within the Scheme's Statement of Investment Principles, at https://www.greggspensions.co.uk/greggs-final-salary-scheme.

In May 2024, the Trustee entered into an insurance policy with AVIVA which covers the benefits of the members of the Scheme. All of the Scheme's assets (with the exception of residual cash in the trustee bank account) were transferred to AVIVA as an insurance premium at the time. The Trustee used their policies and beliefs when selecting AVIVA as the Scheme's buy-in provider. The Trustee's policies and beliefs haven't changed materially, and have been shared with AVIVA.

Although AVIVA is solely responsible for the management of the assets backing the Scheme's insurance policy (including any engagement with the underlying investee companies and issuers), the Trustee may periodically discuss with the insurer its approach to stewardship, including voting and engagement activity as relevant.

The Trustee's own engagement activity is focused on their periodic dialogue with AVIVA as the Scheme's buy-in provider. The Trustee also monitors its compliance with its Stewardship Policy on a regular basis and is satisfied that it has complied with the Scheme's Stewardship Policy over the last year.

Voting activity

All of the Scheme's assets (with the exception of residual cash in the trustee bank account) are managed by AVIVA. The Trustee expects that in their management of the assets backing the Scheme's insurance policy AVIVA will actively engage with investee companies, including voting activity where relevant.

Implementation Statement (Cont)

Review of policies

The Trustee may review AVIVA's Responsible Investment (RI) policies from time to time should the need arise (e.g. if the Trustee has any concerns regarding emerging developments at the insurer). As part of the formal insurer selection process, the Trustee considered AVIVA's approach to integrating Environmental, Social and Governance (ESG) considerations and effective stewardship of assets, in addition to other factors such as financial strength, administration capabilities, and market experience. The Trustee were satisfied that AVIVA's responsible investment policies were suitable and aligned to the Trustee's own views in this area.