



GREGGS FINAL SALARY SCHEME

Members Newsletter

December 2025

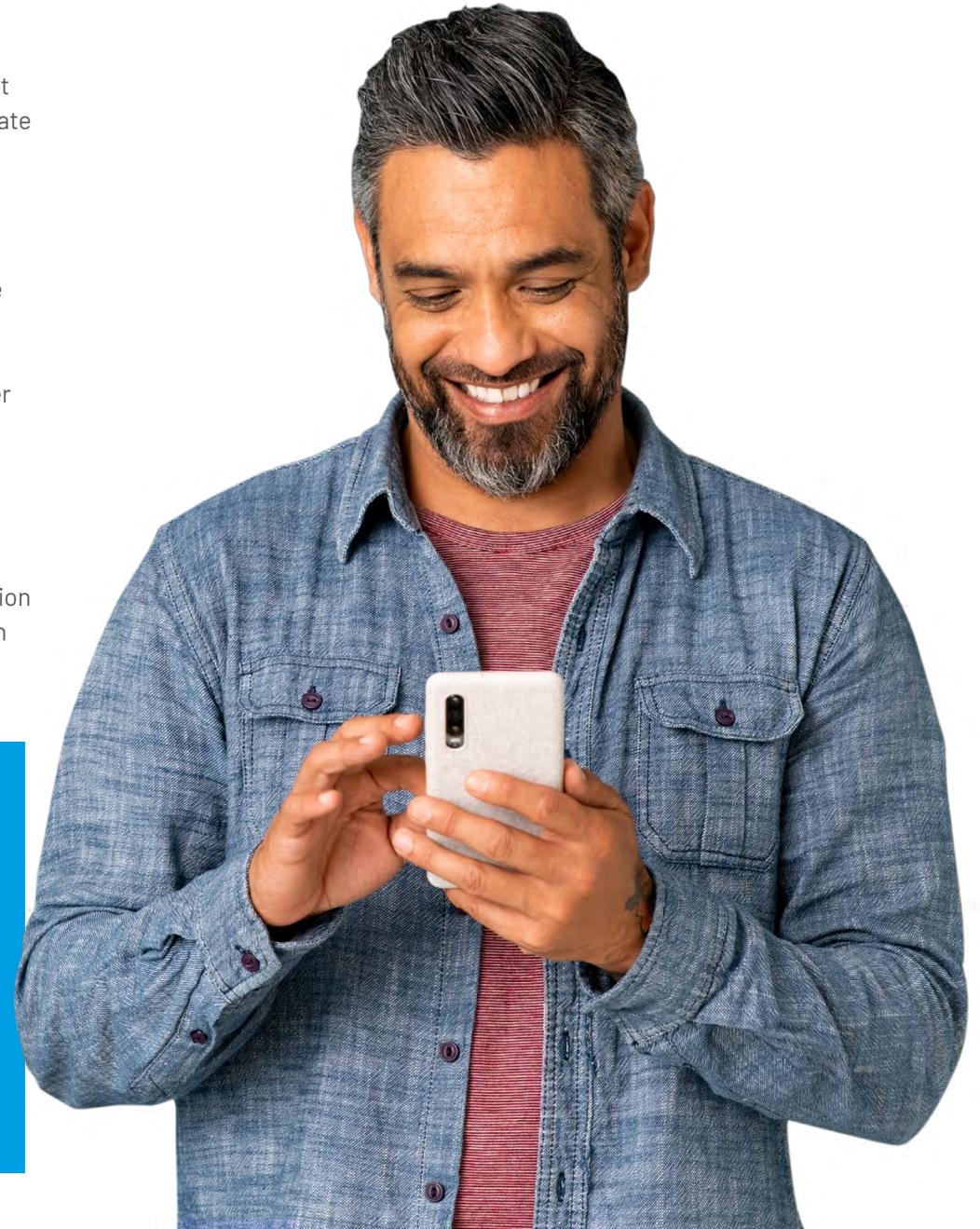


WELCOME

Welcome to the December 2025 newsletter for members of the Greggs plc 1978 Retirement and Death Benefit Scheme (the Scheme). In this edition, you'll find the latest valuation update including information about the Scheme finances and investments, important pensions news to help you plan for retirement and how to keep your pension safe from scammers.

As we informed you in the March 2025 newsletter, the Scheme has purchased a buy-in insurance policy with Aviva. This is a significant step towards securing all benefits payable under the Scheme and provides the security of a highly regulated insurer. The Scheme has implemented GMP Equalisation for those members affected. We're now carrying out further data cleansing activities before the Scheme fully secures all benefits payable under the Scheme with Aviva (the "buy-out"), so it's important you let us know if your details have changed. The journey to buy-out is progressing well, you'll find further details below on the stage of the buy-in, including next steps and what this means for you. We'll continue to update you throughout the process.

Please take time to read this newsletter as you'll find lots of important and useful information in it. If you've got any comments or suggestions for future newsletter articles, please get in touch with the Greggs Pensions Team (see Contact us on page 11).



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UPDATE ON THE BUY-IN AND WHAT THIS MEANS FOR YOU

What's the next stage?

As a reminder the buy-in was completed in May 2024 where the Trustee used the Scheme funds to buy an insurance policy with Aviva. The insurance policy provides an income to the Scheme to cover the monthly benefits to pensioner members now and in the future.

The next stage will be when the Scheme moves to buy-out, at which point Aviva will assume full responsibility for paying the benefits to members. This will result in Aviva issuing individual annuity policies to members which equal pension entitlement from the Scheme.

Will there be any change to my benefits?

There won't be any changes to the benefits you're entitled to from the Scheme. When the buy-out happens, Aviva will issue members with individual policies equal to the benefits you held in the Scheme at that time. Your benefits will remain the same and Aviva will be legally obliged to honour the payment of your pension.

How do I know my benefits are secure?

As a UK insurance company, Aviva is required to hold significant amounts of reserves to back the benefits promised to policyholders. This is overseen and monitored by the Prudential Regulation Authority.

In the extremely unlikely event of Aviva becoming insolvent, the Financial Services Compensation Scheme (www.fscs.org.uk) is designed to protect you by covering 100% of your benefit entitlement. This offers further security of your benefits, which is why entering into an insurance policy is considered a good outcome for members, as it provides greater protection than is available if the Scheme remains dependent on the value of its investment portfolio.

Will this have any effect on my options for retirement?

You'll have the same options as you currently have under the Scheme to retire on, before or after your Normal Retirement Date (NRD) and will also (subject to any changes in tax law) have the option to exchange part of your pension for a tax-free cash sum. If you decide to retire before or after your NRD, your pension will be either reduced to reflect early payment or increased for late payment.

You are still entitled to transfer the value of your pension from the Scheme to another pension arrangement provided you are not yet a pensioner in the Scheme. It is strongly recommended you take regulated financial advice before going ahead with any transfer, and by law you must seek advice if the amount being transferred from the Scheme is greater than £30,000. If you don't have a financial adviser, you can find one local to you at www.moneyhelper.org.uk/en/pensions-and-retirement/taking-your-pension/find-a-retirement-adviser please note, you'll need to pay for this advice.

What if I am planning to retire before the buy-out is completed?

You'll have the same options as you currently have under the Scheme as mentioned above. While the move to buy-out is ongoing the option to process online retirement quotations won't be available. If you'd like to request a retirement quotation while the buy-out transaction is ongoing you can do so through your Clarity from BW account. You can also get in touch with the Greggs Pensions Team directly using the contact details on page 11.

KEEP YOUR PERSONAL DETAILS UP TO DATE

In preparation for the buy-out, the Barnett Waddingham administration team has been checking the personal information we hold for you, your spouse and dependants is up to date. If you make any changes to your address or your personal circumstances change, please let us know as it's important the information held by the Scheme is accurate. If you're receiving benefits from the Scheme, your payments might be affected if your details aren't up to date. You can amend your personal details online through Clarity from BW (see page 10), by contacting the Greggs Pensions Team or the Barnett Waddingham administration team using the details in the 'Contact us' section.



PLANNING FOR RETIREMENT

Pensions Dashboards

The Pensions Dashboards programme is a Government-run initiative which will allow you to view all your pension information, from all pension providers, in one place online. You'll also be able to see information about your State Pension entitlement. It's expected to improve the way we all plan for retirement and help us make the most of our savings.

Your Scheme pension will be connected to the Pensions Dashboard based on the personal details held on your Clarity from BW account. Please keep these details up to date to maximise the chance of the Pensions Dashboard platform finding your pension. Please note, following the buy-out your Scheme pension details on the dashboard will show Aviva as your provider.

The Government intends that all relevant schemes will be connected to the Pensions Dashboards programme by 31 October 2026. However, the exact dates that you'll be able to access the Dashboard isn't yet confirmed, but we'll keep you updated.

Find out more at www.pensionsdashboardsprogramme.org.uk

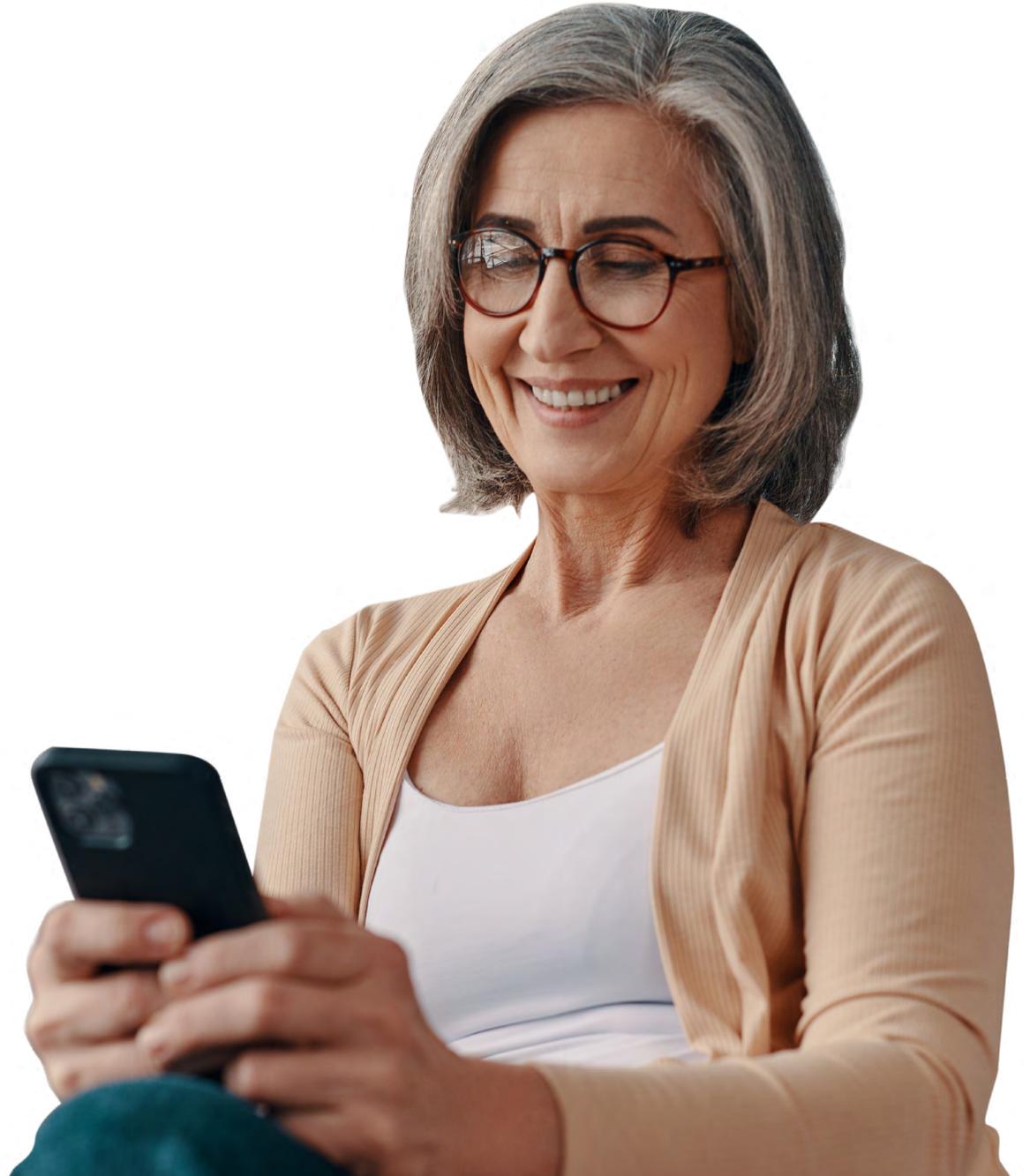
State Pension benefits

If you've built up State Pension benefits during your working life (dependent on your National Insurance record) you can check the exact amount you might get and how it's calculated on the following government websites:

www.gov.uk/check-state-pension

www.gov.uk/new-state-pension/how-its-calculated

The full level of the new State Pension for the 2025/26 tax year is £230.25 a week (up from £221.20 week).



State Pension Age (SPA)

As a result of the continued rise in life expectancy, SPA increased in October 2020 to age 66 and will continue to increase gradually as follows:

2026 - 2028 - age 67

2044 - 2046 - age 68*

*Under current law, the SPA is due to increase to 68 between 2044 and 2046. This is currently under review and may change in the future.

With these ages increasing, it's worth thinking about when you would like to retire and receive your benefits from the Scheme.

Inheritance tax on pension death benefits

In the 2024 Autumn Budget, the Government announced plans to include unused pension funds and death benefits into a person's estate for Inheritance Tax (IHT) purposes from 6 April 2027.

These changes are not yet law and remain subject to parliamentary approval and possible amendment. The following summary reflects our current understanding of the draft legislation.

What are the planned changes?

For defined benefit schemes such as the Scheme, some lump sum death benefits may become part of the deceased member's estate when calculating any IHT liability. However, several important exemptions are expected to apply.

What's expected to remain exempt?

- IHT would only apply to estates exceeding the standard inheritance tax nil-rate band (£325,000).
- Lump sums or pensions paid to a surviving spouse or civil partner should remain exempt under existing IHT rules.
- Lump sum death benefits for members who die while actively contributing to the Scheme are expected to stay outside the scope of IHT.

Timing and next steps

HMRC is still reviewing the draft legislation, but the changes are anticipated to take effect from 6 April 2027, at the start of the 2027/28 tax year. We'll provide further updates as more details become available.

For more information on IHT on unused pension and death visit www.gov.uk/tax-on-pension-death-benefits or speak to your professional financial/tax adviser.



SCHEME FINANCES

Below is a summary of the Scheme's financial statements for the year ended 5 April 2025. If you'd like to read the full Report & Accounts, you can download a copy from the Scheme website at: <https://corporate.greggs.co.uk/final-salary-scheme>

	2025 £000	2024 £000
Net assets at start of year	93,428	98,005
Employer contributions	4,500	-
Member related payments	(4,723)	(4,345)
Net returns on investments	(7,458)	(232)
Net assets at end of year	85,747	93,428



SCHEME INVESTMENTS

At 5 April 2025 the Scheme's assets were invested as summarised below.

	2025 £000	%	2024 £000	%
Corporate Bonds	-	-	28,871	30.9
LDI	-	-	56,970	61.0
Total matching assets	-	-	85,841	91.9
Cash and net current assets	347	0.4	7,587	8.1
Buy-in policy	85,400	99.6	-	-
Total assets	85,747	100	93,428	100

All the investments invested in by the Scheme at 5 April 2024 were managed by Legal & General on behalf of the Scheme and were priced and traded weekly. The valuation of the buy-in policy at 5 April 2025 is lower than the investments held in the previous year. This is because of changes in market conditions and payments of benefits since the buy-in.

VALUATION UPDATE

We're required to provide you with an annual Summary Funding Statement which shows the financial position of the Scheme and explains how we keep the finances on track to pay your benefits. Following the purchase of the buy-in insurance policy, the Scheme is very close to being fully funded, subject to finalising the data and agreeing/paying any balancing premium with Aviva.

The Scheme's funding position

As required by legislation a funding update is prepared annually in between the formal Actuarial Valuation that takes place every three years. It's an approximate update carried out by the Scheme Actuary. As noted below, the purchase of the buy-in with Aviva was secured shortly after the April 2024 annual funding update. Therefore, the April 2025 funding update allows for the actual cost of purchasing the buy-in policy.

The results of the Actuarial Valuation in April 2023 are shown in the table below, beside the annual funding updates in April 2024 and April 2025.

RESULTS (£M)	APRIL 2023	APRIL 2024	APRIL 2025
Assets	98.0	93.4	85.7
Liabilities	101.9	91.9	85.8
Surplus/(Deficit)	(3.9)	1.5	(0.1)
Funding level	96%	102%	100%

Overall, the funding position has improved since the April 2023 Actuarial Valuation. Following the purchase of the buy-in insurance policy, the Scheme is close to fully funded, subject to finalising the data and agreeing/paying any balancing premium with Aviva.

Any surplus or deficit in the Scheme will only be determined once the final balancing premium is agreed with Aviva and any residual data cleansing payments have been made.



KEEPING YOUR PENSION SAFE FROM SCAMMERS

Cyber security

The Trustees are responsible for the security of all Scheme members' data and work hard to protect personal information from cyber-attacks. However, data theft is on the rise and the Trustees are aware that people may try to gain access to members' personal data for fraudulent purposes.

To keep your information safe and secure we must all stay vigilant. You can help by following these tips to protect your personal data:

- Make sure your login details on Clarity from BW are up to date, kept secure and aren't shared with others.
- Be wary of unexpected calls and emails which may be suspicious.
- Use strong passwords and don't use the same password for multiple accounts.
- Use a password manager tool to keep passwords secure.
- Install anti-virus software and keep it updated.
- Don't click on suspicious links or visit untrustworthy websites.

If you have any concerns about the security of your information you can contact the Greggs pension team (see contact details on page 11). You can also visit MoneyHelper for more guidance on scams, what to look out for, and who you need to contact to report a scam, visit www.moneyhelper.org.uk/en/money-troubles/scams

Secondary pension scams and impersonation fraud

Those who have already been victims of pension scams are being targeted again by fraudsters posing as support services. These fraudsters are offering to help victims recover the funds they've previously lost by asking for personal details or fees, disguised as a legitimate follow up. This type of scam is known as recovery fraud and looks to exploit previous scam victims' vulnerability by offering false hope.

There have also been reports of scammers impersonating the Fraud Compensation Fund (FCF), contacting pension scheme members and promising to help claim compensation for scams. The FCF will never contact members individually about these payments or request money and sensitive information. This has been reported to Action Fraud, but we would like to remind you to stay alert to these evolving scams.

If you think you've been scammed, act immediately. Report it to the FCA at www.fca.org.uk/scamsmart or call Action Fraud on 0300 123 2040

The new Pension Scams Action group [Steps to Stay Scam Safe checklist](#) outlines what to look out for and how to respond.

Remember – if it sounds too good to be true, it probably is!



ONLINE ACCESS

You have access to Pension self-service through Clarity from BW (formerly BWebstream), Barnett Waddingham's secure site where you can view your pension information in one place.

Not signed up for Pension self-service yet?

If you don't already have an account set up, you'll need to register at <https://account.claritybw.co.uk/LogIn/Registration>

It's a simple process which needs your date of birth and National Insurance number and should only take a few minutes to complete.

If you have any questions on how to register, or you're having trouble accessing your account, contact the helpline on 0141 447 0899. Lines are open 9am-5.15pm Monday to Friday.



CONTACT US

If you have any general questions about the Scheme, get in touch with the Greggs Pensions Team:

📍 Greggs Pensions Team
Greggs House
Quorum Business Park
Newcastle upon Tyne
NE12 8BU

✉️ finalsalary@greggs.co.uk

☎️ 0191 281 7721

🌐 <https://corporate.greggs.co.uk/final-salary-scheme>

If you have any queries about general administration or pension payments, get in touch with the Barnett Waddingham administration team.

📍 Greggs plc 1978 Retirement and Death Benefits Scheme
C/O Pension Administration
Barnett Waddingham LLP
First Floor
City Square House
11 Wellington Street
Leeds
LS1 4DL

☎️ 0333 11 11 222 (this number will take you to the Barnett Waddingham switchboard, where your call will be directed to a member of the team).

✉️ Greggs@Barnett-Waddingham.co.uk



USEFUL WEBSITES

Below are links to some helpful sites that can provide you more information about pensions and financial advice.

MoneyHelper

MoneyHelper brings together three financial guidance bodies: The Money Advice Service, The Pensions Advisory Service and Pension Wise. If you're considering transferring your benefits out of the Scheme, you can also book a free pension guidance appointment with MoneyHelper.

www.moneyhelper.org.uk

HM Revenue & Customs (HMRC)

You can find more information and guidance about tax and pensions on their website:

www.hmrc.gov.uk/pensioners/index.htm

The Pensions Regulator (TPR)

TPR monitors the running of occupational pension schemes in the UK.

www.thepensionsregulator.gov.uk

The Pension Tracing Service

The Pension Tracing Service helps people who have lost touch with an old pension scheme by tracing it for them free of charge.

0800 731 0175

www.gov.uk/find-pension-contact-details

This newsletter is for information only and doesn't constitute financial advice. Barnett Waddingham LLP helped in the preparation of this newsletter and are authorised and regulated by the Financial Conduct Authority.

If there's any difference between this newsletter and the Scheme Rules, the Scheme Rules will prevail.

