THE KELLOGG'S (GREAT BRITAIN) PENSION FUND ("THE FUND")
DC GOVERNANCE STATEMENT – YEAR ENDED 5 APRIL 2024

1. Introduction

1.1 This statement describes how the Trustee Board has governed the Defined Contribution (DC) Section and the Additional Voluntary Contribution (AVC) arrangements within the Defined Benefit (DB) Section of the Fund during the year.

1.2 The Occupational Pension Schemes (Scheme Administration) Regulations 1996 require the Trustee to include an annual statement regarding governance in the annual report. This statement covers the period from 6 April 2023 to 5 April 2024.

1.3 During the year, the sponsoring employer completed a review of pension arrangements for its employees in the UK and took the decision to move future DC provision to a master trust with Standard Life. The new arrangement began to receive contributions from February 2024. Subsequently, existing DC Section benefits in the Fund were transferred to the new master trust arrangement in late April / early May 2024. This statement therefore covers the Fund's DC Section during the year, although the arrangement is no longer a going concern.

1.4 The statement covers four principal areas:

1. Investment, with a focus on the Fund's default investment arrangements.
2. Internal controls, including the processing of core financial transactions.
3. Value, including the charges and costs deducted from members' funds.
4. The knowledge and resources available to the Trustee Directors, including how the Trustee Directors maintained the statutory levels of knowledge and understanding to govern the Fund and how this helps to ensure that the Fund is governed effectively.

2. Investment Arrangements

Introduction and Default Investment Arrangement

2.1 The Trustee maintains a Statement of Investment Principles (SIP) prepared in accordance with regulation 2A of the Occupational Pension Schemes (Investment) Regulations 2005. The SIP in place at the time of publication of this statement is dated May 2024, and reflects the fact that the DC Section of the Fund is no longer a going concern, following the move to a master trust with Standard Life. That is, the latest SIP does not reference the prior DC arrangements. As such, the Trustee has included as an attachment to this statement the last SIP that was in place prior to the transfer of the DC assets to a master trust, which is the SIP dated March 2024. This SIP details the aims and objectives in relation to the default investment arrangement and self-select fund range, as well as our policies in relation to matters such as risk, diversification, and environmental, social, and governance considerations.

2.2 Further details regarding how the Trustee implemented the policies in the SIP can be found in the Implementation Statement, which is available online and is also enclosed within this Trustee Report and Accounts.

2.3 The default investment arrangement during the year was the "Target Drawdown strategy", a target retirement dated fund approach designed to be broadly appropriate for members who plan to stay invested when they start drawing retirement benefits. The logic behind this was that members were likely to take their benefits out in stages, via an income drawdown policy (outside of the Fund), starting at their selected retirement date (or normal retirement date, for members who do not select a target date).

2.4 The default arrangement during the year, the Target Drawdown strategy, invested in equities and other growth-oriented assets in the "growth" phase of the strategy. Eight years before each member's selected retirement year (or the member's default normal retirement year where none is selected), investments were transferred to a Target Drawdown Retirement Fund based on the targeted retirement year. The Target Drawdown Retirement Fund gradually switched investments into a balanced mix of instruments by the year of the member's normal or selected retirement date, including cash, corporate and government bonds, equities and alternative asset classes such as property and infrastructure.

2.5 Members were also able to access alternative target retirement date strategies (targeting either full cash withdrawal at retirement or annuity purchase) and a range of self-select funds.

Strategic Review

2.6 The Trustee's last review of the default investment strategy was completed in 2022 and discussed at the Fund's Funding, Risk and Investment Committee on 21 June 2022.

2.7 Ordinarily, the next strategic review would have taken place in 2025. However, as noted in the introduction, following a review the sponsoring employer took the decision to move future DC provision to a master trust with Standard Life. The new arrangement began to receive contributions from February 2024, when the Fund's DC Section ceased accepting new contributions. Subsequently, existing DC Section benefits in the Fund were transferred to the new master trust arrangement in late April / early May 2024.

Investment Governance

2.8 During the year, the Fund's Funding, Risk and Investment Committee continued to conduct performance and risk-based reviews of the investment strategy on a quarterly basis, using quarterly investment reports from its investment adviser to support this. In these reports, the following issues were considered:

- Performance (net of fees) relative to fund benchmarks, default objectives, and relative to inflation measures.
- Investment manager research ratings published by the Trustee's investment adviser, Mercer. These ratings include an assessment of each manager's Environmental, Social and Governance capabilities, and the extent to which these issues are integrated into investment processes.
- Analysis of member investment experience throughout the "de-risking" path.
- Risk analysis, including volatility and experience of capital loss ("drawdowns").

Net Investment Returns

2.9 Since 1 October 2021, the Trustee has been required to calculate and state the historical returns of the investment funds available to members, after deduction of transaction costs and charges. This information is provided here.

2.10 For the default investment strategy, the analysis assumes a retirement age of 65. Note that 15 and 20-year returns (and in some cases, returns over shorter periods) are not available, either because the funds were only made available to members recently, or because the investment manager has only launched the fund more recently. This is particularly relevant for the target dated funds, as they were launched only to cover the default strategy's "de-risking" period, and when each fund matures it will no longer hold assets within it. Longer dated funds (e.g. the 2029, 2030, and 2031 dated funds) only launched relatively recently.

2.11 Returns are sourced from Aviva and cover periods to 31 March 2024. We show the funds that had member assets invested in them during the year. In cases where pooled fund data is available over longer periods than the Fund has been invested, these returns have been included for information.

Default Strategy – Target Drawdown – net returns % p.a.				
Age of member	1 year	3 years	5 years	10 years
Up to age 55 (Mercer Growth / Balanced Risk)	8.4	3.2	5.4	7.2
60 (Mercer Target Drawdown 2029)	7.6	2.9	N/a	N/a
65 (Mercer Diversified Retirement and Mercer Cash Retirement)	5.9	2.2	2.8	N/a

Other funds - Net of Fees Returns % p.a.				
Fund	1 year	3 years	5 years	10 years
Mercer Growth / Balanced Risk	8.4	3.2	5.4	7.2
Mercer Diversified Retirement	6.1	2.1	3.2	N/a
Mercer Cash Retirement	5.2	2.5	1.6	N/a
Mercer Target Drawdown 2025	6.1	2.3	4.1	N/a
Mercer Target Drawdown 2026	6.6	2.5	4.4	N/a
Mercer Target Drawdown 2027	6.9	2.6	4.6	N/a
Mercer Target Drawdown 2028	7.3	2.7	N/a	N/a
Mercer Target Drawdown 2029	7.6	2.9	N/a	N/a
Mercer Target Drawdown 2030	7.9	N/a	N/a	N/a
Mercer Target Drawdown 2031	8.2	N/a	N/a	N/a
Mercer Annuity Retirement	4.5	-5.5	-2.0	2.2
Mercer Target Annuity 2025 Retirement	4.8	-4.3	-0.2	N/a
Mercer Target Annuity 2027 Retirement	6.0	-1.8	1.7	N/a
Mercer Target Cash 2025 Retirement	5.3	0.6	3.0	N/a
Mercer Diversified Growth	8.9	3.5	4.8	7.4
BlackRock - Passive UK Equity	7.5	6.8	5.0	5.5
BlackRock - Passive Overseas Equity	25.6	11.6	13.6	13.4
BlackRock - Passive Global Equity (50:50)	13.6	8.4	8.3	8.5
BlackRock - Passive Emerging Markets Equity	5.5	-2.7	2.9	5.7
BlackRock - Passive Fixed Interest Gilts	-5.1	-15.0	-8.3	0.3
BlackRock - Passive UK Corporate Bond	6.9	-3.2	-0.2	2.7
BlackRock - Passive Index-Linked Gilts	-7.7	-12.0	-6.6	1.4
BlackRock - Cash	5.2	2.6	1.7	1.1

Asset Allocation Disclosure – Default Investment Strategy

2.12 Regulations have recently been introduced requiring trustees to disclose the asset allocation of default investment arrangements at specific ages, starting at age 25. This information is provided below for the default investment strategy that was in place during the year. Note that the strategy involved an 8-year de-risking period, and hence the asset allocations for ages 25 – 55 are identical, as the member would still have been invested in the growth phase, which is consistent throughout these ages.

	Allocation (%) – average at age 25	Allocation (%) – average at age 45	Allocation (%) – average at age 55	Allocation (%) – average at age 65
Cash	0.2	0.2	0.2	25.6
Bonds	24.7	24.7	24.7	44.4
Listed Equities	68.6	68.6	68.6	26.3
Private Equity	0.0	0.0	0.0	0.0
Infrastructure	0.0	0.0	0.0	0.0
Property / real estate	0.0	0.0	0.0	0.0
Private debt / credit	0.0	0.0	0.0	0.0
Other	6.5	6.5	6.5	3.8
Total	100.0	100.0	100.0	100.0

Source: Mercer. The following describe the types of investments covered by the asset classes set out in the table:

- *Cash – Cash and assets that behave similarly to cash e.g. treasury bills. This only includes invested cash and not any cash balance held in the Trustee bank account.*
- *Bonds – Loans made to the bond issuer, usually a government or a company, to be repaid at a later date. Bonds includes corporate and government bonds.*
- *Listed Equity – Shares in companies that are listed on global stock exchanges.*
- *Private Equity – Unlisted equities that are not publicly traded on stock exchanges.*
- *Infrastructure – Physical structures, facilities, systems, or networks that provide or support services including water, gas and electricity networks, roads, telecommunications facilities, schools, hospitals, and prisons.*
- *Property – Real estate, such as offices, retail, and industrial buildings which are rented out to businesses.*
- *Private Debt – Other forms of loan that do not fall within the definition of a 'Bond'.*
- *Other – Any assets that do not fall within the above categories. This may include assets that are synthetic and do not have a physical allocation, for example derivatives.*

3. Internal Controls and Core Financial Transactions

Administration - Introduction

3.1 The DC Section of the Fund was administered by a professional third-party administrator, Aviva, during the year.

3.2 The Trustee has received assurance from the Fund's administrator, and has taken steps to seek to ensure, that there were adequate internal controls to ensure that the Fund's core financial transactions were processed promptly and accurately during the year. This includes investment of contributions, processing of transfers in and out of the Fund, transfers of assets between different investments within the Fund, and payment of benefits to members.

Administration – Monitoring and Core Financial Transactions

3.3 The Trustee monitored a number of metrics in order to assess the quality, accuracy, and timeliness of core financial transactions and broader administration services during the year. These metrics were monitored on a quarterly basis by the Trustee, via the Administration Sub-Committee and the in-house team.

3.4 The metrics used by the Trustee to monitor administration performance, which were reviewed on a quarterly basis using the administrator's governance reports, included:

- The time taken between the point a member makes a request, to the point at which all elements of the request have been handled. This is known as the "end-to-end" time and differs to the traditional way of measuring speed of service (SLA reporting) which will not account for time when a request may be between stages of the query process; and will generally only reflect how quickly each meaningful step of the request is tackled. Monitoring end-to-end time gives a clearer view of the timeliness of services members receive.

- Metrics that aim to measure the member experience, such as the proportion of member interactions with the administrator representing a situation where a member should not have to make contact (e.g. triggered by a member not receiving what they expected).
- A complete schedule of contribution batch receipts, which assist the Trustee in checking that contributions are submitted within regulatory timescales.
- A breakdown of the reasons why members are getting in touch with the administrator (for example, to arrange a transfer in or out, to request a retirement quote, or to update their personal details, amongst other reasons). This helped the Trustee to identify any patterns and trends in what our members needed support with most.
- Details of any formal complaints, and how these are being addressed.
- Customer satisfaction and first point resolution scores. Given the small volume of Fund-specific transactions and issues, these are provided by Aviva for its business as a whole.

3.5 This reporting, and discussions at Administration Sub-Committee and Trustee meetings, provided insight into member activity, completion timescales for administration functions, and the reliability of administration controls.

3.6 The Administration Sub-Committee took a proactive approach to questioning the administrator about their service level reports throughout the year. While there were no material service issues experienced, should such an issue have arisen the Trustee would discuss the reasons for service problems with the administrator through the Administration Sub-Committee, and would seek to ensure that plans were in place to improve service levels.

3.7 Prior to the move to the Standard Life master trust, the Trustee had engaged Mercer Workplace Savings (MWS) to provide governance support by monitoring Aviva's performance in delivering administration services. As part of this appointment, MWS negotiated exclusive SLAs with Aviva, including financial penalties for the Fund in the event of breaches above agreed thresholds. This further helped the Trustee to ensure the prompt and accurate processing of core financial transactions. The SLAs monitored by MWS and the Trustee on a Fund-specific basis over the year covered contribution processing, investment transactions, general enquiries, payments in and out, and documentation queries.

3.8 As at 31 March 2024, key metrics for administration quality and accuracy monitoring are detailed in the following table. This represents a more detailed view than traditional service level monitoring, and where relevant we include further context and narrative for information.

Metric	Level
Service speed[1]	28% of requests were completed within 5 days, 66% within 2 weeks.
Speed of service themes	The requests that took longest to process over the period were generally transfer related. This is typically due to the rigorous checks the administrator completes to ensure the transfer is appropriate, including scam vigilance processes.
Query volume and topics	694 member queries / requests were completed during the year. Reviewing the volume and nature of queries each quarter provided the Trustee with an insight to any themes or spikes in request types (for example, following issuing benefit statements, or around particular points in the year) in order to understand where members may value more support. During the year, the volume of queries was fairly stable from quarter to quarter, with the highest number (204) experienced during Q3 2023. This is expected to be linked to the timing of annual benefit statements being issued.
Complaints	0.5% of the membership (13 members) made a complaint during the year to 31 March 2024. The Trustee operated a reporting process to ensure that all complaints were disclosed to the Trustee, and that Aviva had addressed these appropriately.

[1]The average time between the point a member makes a request, to the point at which *all elements* of the request have been handled. Shown for the quarter to 31 March 2024 to avoid double counting.

Administration – Additional Governance

3.9 Through the administrator, Aviva, the quality of the common and conditional records in respect of member data is reviewed at least annually. Aviva provides an annual report summarising the quality of member records, allowing any actions to be identified and carried out. Quarterly monitoring of data is also in place, and Aviva reports to the Trustee in each quarterly administration report the pass rate of the “common data” tests recommended by the Pensions Regulator. As at 31 March 2024, the pass rate stood at 95.0%. For the small number of cases where the Fund’s data did not meet the test, the majority were as a result of incomplete (rather than absent) address information.

3.10 The administrator provides an AAF internal controls audit report each year. The last report received covered the 12 months to 31 December 2023. The report noted the independent practitioners’ opinion that, in all material aspects, Aviva’s controls were suitably designed and those tested operated effectively. As is common with internal controls reviews, areas for potential improvement were noted, which Aviva’s UK Life Customer Services Director addressed in the report.

3.11 The Trustee is pleased to confirm that core financial transactions were processed during the year well within applicable statutory timescales, and no material administration issues were experienced.

Broader Controls

3.12 The Trustee ensures that all third-party providers share their data security and cyber risk policies with the Trustee. These policies are reviewed, and the parties are questioned on any areas requiring clarity.

3.13 The Fund maintains a risk register which outlines the risks to the Fund, including those in relation to financial transactions, and considers the impact, likelihood, controls and mitigation steps for each risk. The risk register is subject to ongoing monitoring and review.

3.14 During the year, close working links were maintained between the in-house pension team and the administrator.

3.15 A Registered Auditor is appointed to undertake an annual audit. The Fund Auditor independently tests a sample of financial transactions for accuracy and timeliness as part of the annual audit process.

3.16 As part of the planning process for the transfer to a master trust arrangement with Standard Life, a dedicated risk log was put in place, monitored by Standard Life, Aviva (as the ceding administrator), the Trustee’s DC adviser Mercer, and the in-house pensions team.

3.17 The Trustee has oversight of the core financial transactions of the DB section AVC arrangement with Prudential. With effect from 1 April 2021 no new contributions have been permitted to be paid to Prudential (members affected were notified of this closure to new contributions). As the arrangement is small and closed, financial transactions are limited, but no issues were experienced during the year.

3.18 The Trustee is confident that the processes and controls in place with the administrator during the year were robust and operated effectively.

4. Value, Charges and Transaction Costs

4.1 The range of the levels of charges and transaction costs applicable to the Fund’s investments during the period are detailed in this section.

- The "total expense ratio" reflects the total costs associated with managing and operating a fund, including investment management fees, fund legal fees, custodian fees and any other expenses.
- Transaction costs arise when buying and selling investments. Such costs are not explicitly deducted from a fund but are captured in its returns (i.e., the higher the transaction costs, the lower the returns produced). The FCA provides guidance to fund managers regarding calculation and disclosure of such costs. Due to the way in which they must be calculated, they can be negative or positive; a negative cost is effectively a gain from trading a positive figure is a cost from trading activity.

4.2 In the following table, we set out the charges and transaction costs applicable to the funds that had member assets invested in them during the year. Funds used as part of the default investment option are shaded in blue.

Fund	Total Expense Ratio % p.a.	Transaction Costs %
Mercer Growth / Balanced Risk	0.20	0.12
Mercer Diversified Retirement	0.21	0.12
Mercer Cash Retirement	0.08	0.02
Mercer Target Drawdown 2025	0.24	0.10
Mercer Target Drawdown 2026	0.27	0.12
Mercer Target Drawdown 2027	0.26	0.12
Mercer Target Drawdown 2028	0.25	0.12
Mercer Target Drawdown 2029	0.23	0.12
Mercer Target Drawdown 2030	0.22	0.12
Mercer Target Drawdown 2031	0.21	0.12
Mercer Annuity Retirement	0.11	0.00
Mercer Target Annuity 2025 Retirement	0.13	0.00
Mercer Target Annuity 2027 Retirement	0.15	0.03
Mercer Target Cash 2025 Retirement	0.12	0.04
Mercer Diversified Growth	0.24	0.21
BlackRock - Passive UK Equity	0.08	0.09
BlackRock - Passive Overseas Equity	0.02	0.07
BlackRock - Passive Global Equity (50:50)	0.02	0.05
BlackRock - Passive Emerging Markets Equity	0.26	0.00
BlackRock - Passive Fixed Interest Gilts	0.01	0.00
BlackRock - Passive UK Corporate Bond	0.02	0.00
BlackRock - Passive Index-Linked Gilts	0.01	0.00
BlackRock - Cash	0.00	0.02

Source: Aviva. Note that total expense ratios and transaction costs can and do vary over time. The funds shown are those that had member monies invested in them as at 31 March 2024.

4.3 In respect of the small legacy AVC policy held with Prudential, the underlying funds are held through a bundled contract whereby Prudential levy the following a total expense ratio charges. Prudential do not supply transaction cost reporting.

Fund	Total Expense Ratio % p.a.
Prudential With-Profits	1.41*
Prudential With-Profits Cash Accumulation	1.41*
Prudential Discretionary	0.80
Prudential Dynamic Growth II	0.73
Prudential Dynamic Growth IV	0.73
Prudential Long -Term Gilt Passive	0.66
Prudential UK Equity Index	0.67

** For With-Profits Funds, Prudential states that no explicit charges are taken but an allowance for expenses is made when bonuses are declared. Prudential also state that charges depend on the performance of the With-Profits Fund and as such will vary over time.*

Impact of Costs and Charges

4.4 Using data provided by Aviva and in accordance with Regulation 23(1)(ca) of the Administration Regulations, the Trustee has prepared an illustration detailing the impact of the costs and charges typically paid by a member on their retirement savings pot. Statutory guidance has been considered when providing these examples.

4.5 To represent the range of funds available to members during the year we are required to show the effect on a member's savings of investment in the following:

– The fund or strategy with the most members invested in it (prior to the closure of the DC Section).

– The fund with the highest charges, again prior to the closure of the DC Section. Whilst the table above notes that the legacy AVC funds have the highest charges, there are challenges with modelling future growth for some of these funds (notably the With Profits Funds), and they do not have material assets invested in them. Therefore the fund with the highest charges in the main DC fund range has been used.

– The fund with the lowest charges, prior to the closure of the DC Section.

4.6 The illustrations take into account the following:

- Typical savings pot size (namely the assumption that when a new member joins they begin with a savings pot of zero).
- Contributions.
- Real terms investment returns gross of costs and charges, adjusted for the effect of costs and charges (using assumptions made in Statutory Money Purchase Illustrations).
- Adjustment for the effect of costs and charges over time.

At end of year	**Default (and most popular) strategy:** Mercer Target Drawdown		**Fund with Lowest Costs and Charges:** BlackRock - Passive Index-Linked Gilts		**Fund with Highest Costs and Charges:** Mercer Diversified Growth	
	Projected value assuming no charges taken	Projected value after charges taken	Projected value assuming no charges taken	Projected value after charges taken	Projected value assuming no charges taken	Projected value after charges taken
1	£1,210	£1,210	£1,210	£1,210	£1,200	£1,190
2	£2,460	£2,450	£2,480	£2,480	£2,410	£2,400
3	£3,750	£3,730	£3,810	£3,810	£3,640	£3,620
4	£5,090	£5,050	£5,190	£5,190	£4,890	£4,850
5	£6,470	£6,410	£6,630	£6,630	£6,160	£6,090
10	£14,100	£13,900	£14,900	£14,800	£12,800	£12,500
15	£23,200	£22,600	£25,000	£25,000	£19,900	£19,200
20	£33,900	£32,600	£37,700	£37,600	£27,600	£26,300
25	£46,500	£44,400	£53,300	£53,300	£35,800	£33,800
30	£61,500	£58,100	£72,700	£72,600	£44,600	£41,600
35	£79,200	£73,900	£96,800	£96,600	£54,200	£49,900
40	£100,000	£92,400	£127,000	£126,000	£64,400	£58,600
45	£125,000	£114,000	£164,000	£163,000	£75,400	£67,700
50	£154,000	£139,000	£209,000	£209,000	£87,300	£77,400

Notes:

i. All figures have been rounded. Values are estimates and are not guaranteed.

ii. Projected values are shown in today's terms, and do not need to be reduced further for the effect of future inflation.

iii. The starting pot size is assumed to be £0 and contributions are assumed at £100, monthly increasing in line with assumed earnings inflation of 2.5% p.a.

Value for Members

4.7 When there was a DC Section in the Fund, the Trustee assessed annually the extent to which the charges and transaction costs paid by members represent good value. During the year, the decision was taken by the sponsoring employer to move to a master trust for future DC provision. As part of this process, fee quotes were received from a number of providers. This information supported the view previously reached by the Trustee that the Fund offers good value for money relative to peers including other pension schemes of a similar size and nature (using data from Mercer, investment managers, pension providers and other public surveys, where available) and relative to options available to the Trustee with alternative investment managers and providers. It should be noted that the decision to move to a master trust with Standard Life was not primarily driven by price, but was a more strategic move relating to scheme design, member support, and benefit options for members.

4.8 The Trustee's Value for Money framework, used prior to the closure of the Fund to DC contributions and the transfer to a master trust in April / May 2024, incorporated consideration of:

- Total expense ratio costs borne by members.
- Transaction costs.
- Net of cost investment performance.
- Investment risk measures.
- Governance arrangements.
- Fund range available to members.
- Investment manager and platform provider ratings, including consideration of Environmental, Social and Governance issues.
- Member feedback, where received.
- Other member services, such as in-house pension team support and online tools.

4.9 A proportionate approach is adopted for reviewing of the AVC arrangement in the DB Section on the basis that the AVC holdings are relatively modest. The Trustee's assessment in this respect is that the arrangement represents reasonable value for members but that better value funds were available. As such, with effect from 1 April 2021 no new contributions have been permitted to be paid to Prudential (members affected were notified of this closure to new contributions). Active employees are able to pay AVCs to the employer's main DC arrangement.

5. Trustee Knowledge and Understanding

5.1 The requirement under the Pensions Act 2004 (requirement for knowledge and understanding) has been met during the year by the Trustee as a body in dealing with the whole Fund (not just the DC Section).

5.2 The Trustee Board has put in place arrangements for ensuring each Trustee Director takes responsibility for keeping up to date with relevant developments and each quarter consider training requirements. Training logs are maintained for each Trustee and training for the full board and its various Committees is provided regularly during quarterly meetings. Training plans are bespoke and tailored to issues that arise on the Trustee's business plan.

5.3 The Trustee has adopted a robust training programme for new Trustee Directors. For the Fund, upon appointment, a Trustee Director is required to undertake an induction process. This includes training with the in-house pension department and completion of the Pensions Regulator's online toolkit. The Trustee Directors in office over the period have all completed the Pension Regulator's Trustee Toolkit.

5.4 During the year, the training topics considered by the Trustee were delivered, for example, through the DC adviser's "current topics" training material. The topics relevant to the DC benefits within the Fund were:

- Diversity, equity, and inclusion, including new guidance from the Pensions Regulator in this area.
- New requirements for SIPs in relation to illiquid asset policies (though the Trustee noted that investment in illiquid assets would not be appropriate for the Fund, given that a transition of assets to a master trust was planned during the year and has now taken place).
- Additional disclosures to be included in the Chair's Statement in relation to default strategy asset allocation disclosures (as provided earlier in this document).
- A session on cyber security was held at the December Trustee meeting. In advance of this session, the Trustee had identified a training need to consider cyber attack prevention as well as incident response, as the industry has shifted focus towards ensuring robust plans are in place should an attack actually happen.

5.5 At each Trustee Board meeting, the Trustee Directors are invited to share their learnings from any training events attended outside of Trustee and Committee meetings. This allows the Board to benefit from wider training and knowledge acquired.

5.6 The Trustee also periodically conducts assessments of its effectiveness as a Trustee Board. These assessments include candid feedback on the Trustee Board's operating framework and performance generally. They also provide insight to areas where we can improve our effectiveness by identifying training needs. The last full review was conducted in 2021 and considered:

- Efficiency of operation of meetings and meeting preparation
- Next steps for future development
- Challenges and training needs for the coming years
- Review of Trustee performance collectively, and individual reviews of the Board and Committee Chairs.

5.7 The Trustee Directors are conversant with, and have demonstrated a working knowledge of, the Trust Deed and Rules. If there are any ambiguities over the interpretation of the Trust Deed and Rules, legal advice is sought from the Fund's legal advisers.

5.8 The Trustee Directors are also conversant with, and have a working knowledge of, the Statement of Investment Principles (SIP). The review conducted during the year (as described earlier) assisted with keeping this knowledge up-to-date.

5.9 An independent professional Trustee has been appointed, who has a wide range of experience and skills to complement the knowledge and understanding of the Employer- and Member-Nominated Trustee Directors.

5.10 In addition, the Trustee receives advice from professional advisers and the relevant skills and experience of the advisers is a key criterion when evaluating advisers or selecting new advisers.

5.11 Taking account of actions taken individually and as a Trustee body, and the professional advice available, the Trustee Board considers that it is enabled to properly exercise its function.

6. Trustee Statement of DC Governance

6.1 The Trustee considers that the Fund's systems, processes and controls across key governance functions are consistent with those set out in the Pensions Regulator's relevant Codes of Practice.

Chair, Kellogg's (Great Britain) Pension Trustee Limited