Making futures our members love.

With the General Mills UK Pension Plan

Welcome to your member newsletter.

As your Trustee, we're committed to ensuring that you have the most current and relevant information about the General Mills UK Pension Plan ("the Plan"). That's what this new newsletter is all about – it's designed to keep you informed about the Plan's performance and the most recent pension news, like the new pensions tax allowances and how these might affect you in your planning for the future.

Over the past year, we've seen significant developments within our Plan. One of the key changes is the rebranding of our Plan's administrators to MUFG, following their acquisition of Link Group (who acquired HS Pensions). Rest assured, this change will not affect how your benefits are managed, and you can continue to contact the administrators using the same details provided.

In this newsletter you'll find the latest summary funding statement, where we break down the Plan's financial performance. We're pleased to report that the Plan remains well-funded, ensuring that we can meet our commitments to you. Our investment strategy continues to focus on stability and growth, balancing risk and returns to safeguard your future. You'll also find an update on the Guaranteed Minimum Pension (GMP) equalisation exercise, as well an update from the Company.

We hope you find this newsletter informative and helpful. Should you have any questions or need further assistance, please do not hesitate to reach out to our Plan administrators or Trustee using the contact information provided on the back page.

Warm regards,

David Brickman
Chair of Trustee
The General Mills UK Pension Plan

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How are the Plan's finances?

As your Trustee, we're pleased to confirm that the Plan remains well-funded. This means that the Plan can continue to ensure that members' benefits are paid when they're due.

Every three years, the Plan's actuary carries out a funding valuation to assess whether there's enough money in the Plan to pay all the benefits promised to members, with annual funding checks completed in between. This is what's known as a triennial valuation, and we're pleased to report the most recent triennial valuation as at 5 April 2023 was completed in January 2024.

What's the Plan's funding position?

Following the results of the triennial valuation, the Plan's actuary also undertook the annual funding check as at 5 April 2024. Below you'll see a comparison of the final results of the 5 April 2023 full actuarial valuation and the estimated funding position as at 5 April 2024 based on market conditions as at those dates.

	Value as at 5 April 2023	Value as at 5 April 2024
Assets The value of the Scheme's investments	£56.3m	**£52.5m***
Liabilities The estimated costs of providing members' benefits	£52.1m	**£46.3m**
Surplus The difference between the assets and liabilities	£4.2m	**£6.2m**
Funding level The assets as a percentage of the liabilities	108%	**113%**

***Please note that this asset value is unaudited and may change in the final 5 April 2024 accounts, expected to be available in November 2024.**

As you can see, in the annual funding check as at 5 April 2024, the Plan had a surplus with 113% of the money it needed to pay members' benefits when they become due. These results were calculated assuming the Plan continues on an ongoing basis.

The estimated increase in funding level since the 5 April 2023 valuation is mainly due to the Plan's return-seeking assets performing better than assumed under the Technical Provisions basis. Whilst both liabilities and assets have decreased over the period, the assets have decreased by less than the Plan's liabilities.

We work closely with the Company and our advisers to monitor the funding position of the Plan, and where necessary agree appropriate actions to address any shortfall in assets.

How is the Plan invested?

It's our responsibility as a Trustee to regularly review the Plan's investment strategy. In light of the Plan's strong funding position, we have not made any changes to the Plan's investment strategy over the year to 5 April 2024.

A big part of the Plan is invested a "Liability matching" portfolio which significantly reduces the risk to the Plan of changes to interest rates and inflation. The remaining of the Plan's assets are invested in a Diversified Growth Fund (DGF), which aims to generate additional investment returns but with a lower risk than investing purely in equity assets.

Asset class	Benchmark Allocation
Liability matching portfolio	70%
Diversified Growth Fund	30%

We continue to regularly monitor the investment performance and are in regular communication with Legal & General, our investment managers, to ensure that we adhere to the agreed investment strategy without a significant cost of frequent changes to assets owned.

What would happen if the Plan were wound up?

We're required by law to tell you about the solvency position of the Plan. The solvency position looks at a specific worst-case scenario where, should the Plan need to be wound up, the Plan would have to buy benefits through an insurance company.

This is an expensive approach because insurers must take a cautious view of the future, need to make a profit, and include future administrative expenses. Because of this cautious estimate the solvency funding level tends to be much lower than the valuation funding level. As at 5 April 2023 the funding level in a solvency scenario was 87%.

There is no proposal for the Plan to be wound up, and the current funding plan assumes that the Company will continue in business and strongly support the Plan. In the unlikely event of the Company becoming insolvent, the Pension Protection Fund (PPF) may provide some compensation to members; you can find out more about the PPF at: **www.pensionprotectionfund.org.uk**

Our legal confirmation

Legally, we have to confirm that there have not been any payments made to the Company out of the Plan funds since we issued our previous Summary Funding Statement.

The Pensions Regulator has not modified the Scheme, given it directions, or imposed a schedule of contributions upon it.

Updates on...

The Company's 2024 performance and 2025 outlook

General Mills reported net sales of $19.9 billion for the past year, a slight decrease of 1% compared to last year. Although sales volumes were down, a better mix of products helped balance this out. Despite this, their long-term growth remains strong, with a 4% growth increase over two years.

The Company achieved an operating profit of $3.4 billion, matching last year's figures, while their adjusted operating profit rose by 4% thanks to lower expenses and improved gross margins. They met their 2024 goals by selling more products in the latter half of the year and achieving top industry cost savings, which allowed investment back into brands and delivery on profit.

In the fiscal 2024 year, General Mills introduced 40% more major new products, launching the 5 largest new products in the US Cereal category and acquiring a premium European pet food brand, Edgar & Cooper, for $434 million.

For the International Segment, of which the UK is a significant part, net sales were $2.7bn, down by 1%. This was caused by a decline in net sales in Brazil and China which was partially offset by growth in India, Australia, France, and the UK. Operating profit was down 23%, primarily due to higher costs.

For the remainder fiscal 2025 year, General Mills anticipate a challenging economic environment but expect gradual sales volume improvements during the year. They aim for cost savings of 4-5% to outpace expected inflation, allowing reinvestments in exciting growth initiatives, and project organic sales growth to be flat or up 1%, with adjusted operating profit staying stable.

Guaranteed Minimum Pension (GMP) equalisation

We're pleased to announce that the Trustee has successfully completed the process of Guaranteed Minimum Pension (GMP) equalisation for the General Mills UK Pension Plan. This important milestone ensures that our pension benefits comply with legal requirements and reflect our ongoing commitment to fairness and equality for all members.

What is GMP equalisation?

GMPs are pension benefits earned between 6 April 1978 and 5 April 1997. Historically, there were differences in how GMPs were calculated for men and women. In 2018, the High Court ruled that pension schemes must equalise GMP benefits to ensure equality. This means that pension schemes like ours must make sure that any GMP earned during this period is equal for both men and women.

What does this mean for you?

All pensioner members impacted by GMP will have been contacted separately confirming the outcome of this exercise and whether they will be receiving an uplift to their pension benefits. Any members impacted by GMP that are yet to retire will received equalised benefits when they do. Rest assured, this equalisation process ensures that your pension benefits are fair and reflect your contributions without gender bias.

If you have any questions or concerns about GMP equalisation, please do not hesitate to contact the Plan administrator using the details provided on the back page of this newsletter.

Did you know?

There's a whole section on the Company website dedicated to the General Mills UK Pension Plan.

Where you can keep up to date with Plan information and the latest Plan documents:

Visit www.generalmills.co.uk/uk-pension-plan

From there, you'll be able to...

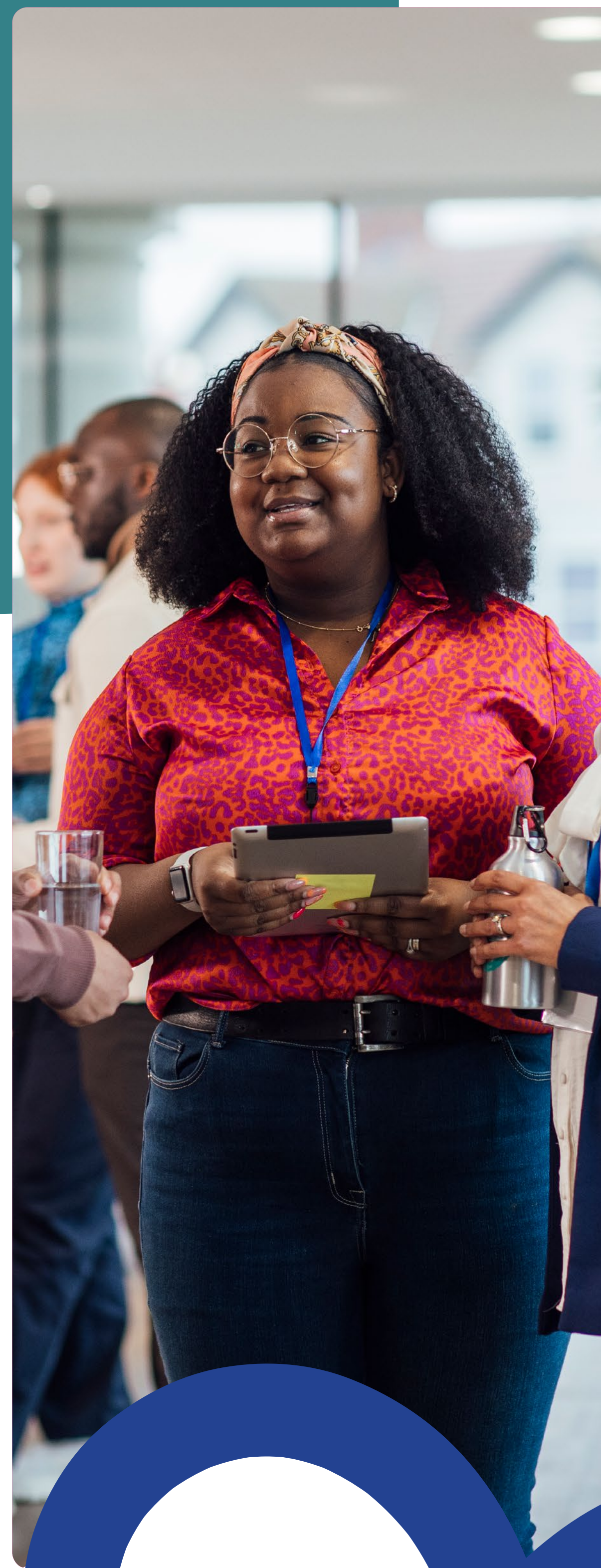
- **View all the latest Plan documents,** like the Statement of Investment Principles and the Implementation Statement
- **Find useful information and links** to find out more about pensions
- **Be redirected** to where you can find a trusted financial adviser
- **Learn more** about how we protect your data in our Privacy Notice

Keep us up to date

It's really important that you keep us up to date with any changes, and update your contact details so that we can stay in touch – like if you're moving home. You can let us know of any changes and provide us with your email address by contacting the Plan administrator, using the details on the back page.

We also want to make sure your loved ones are covered when the worst happens, so we encourage you to let us know the details of your wishes following your death. To do so, you'll need to fill out the Plan's Expression of Wish form, which formally requests who you'd like to receive any death benefits payable when you die. It's quick and easy to do, and you can nominate more than one person if you want to.

Get in touch with the Plan administrator using the details on the back page to request a form.



Pension news in a nutshell

The age at which you can take your pension is increasing

There are two ages we often talk about when it comes to taking your pension. The first is the minimum retirement age, and unless you're suffering from ill health, this is the earliest age you can start taking your pension from the Plan. This is currently age 55, but the Government announced this will be increasing to age 57 in 2028.

The minimum retirement age is different from the State Pension age, which is the earliest age you can start taking your State Pension from the Government. This is currently age 66, but is also set to increase to age 67 in 2028.

You can find out what your projected State Pension age is on the Government's website **www.gov.uk/state-pension-age**. If you're making plans for the future and you were thinking of retiring early, we recommend thinking about how this change might impact your plans.

It only takes 4 steps to stay safe from Pension Scams

Did you know that the average amount stolen in a pension scam is £75,000, and it's often someone's entire pension savings?

Pension scams are on the rise, and so to help you spot the signs and protect yourself from losing life-changing amounts of money, the Trustee, the Financial Conduct Authority (FCA) and the Pensions Regulator suggest you take four steps:

1. **Reject any unexpected offers.** These often originate from unsolicited text or social media messages.
2. **Check who you're dealing with.** You can search for independent financial advisers and companies authorised by the FCA on its website: **www.fca.org.uk/scamsmart**. If you're using online resources or speaking to someone by phone, always double-check the website address or phone number is the same as the details shown on any official communications.
3. **Don't feel pressured into making any quick decisions**. If you're contacted out of the blue by someone you don't know offering you a 'safe haven' for your pension or 'guaranteed returns', please don't make any rushed decisions. Remember, a genuine financial adviser will never cold call you.
4. **Get independent financial advice.** It's important to consider getting independent financial advice before making any decisions about your pension, particularly if you're looking to transfer out the scheme.

Sources for more detailed guidance include **www.moneyhelper.org.uk** and **www.actionfraud.police.uk**. You can ring Action Fraud on **0300 123 2040** for help or if you suspect a scam.

New pensions tax allowances

There are limits to the amount of pension you can build up tax-efficiently both each year and throughout your lifetime. From 6 April 2024, new changes to pension tax regulations may affect how much you can save, and your plans for retirement.

On 6 April 2024, the Lifetime Allowance was abolished. This was the limit on the total amount you could save in your pension over your lifetime without facing extra tax charges. Previously, you would be charged if you had more than £1,073,100 in your total pension savings. It has instead been replaced by two new lump sum allowances:

- **The Lump Sum Allowance (LSA)**, which limits the total amount of tax-free cash that you can get from your pension arrangements to £268,275.
- **The Lump Sum and Death Benefit Allowance (LSDBA)**, which limits the total amount of tax-free cash that you can get in your lifetime to £1,073,100. This applies to any payments that use your Lump Sum Allowance, as well as tax-free elements like serious ill health claims and non-taxable lump sum death benefits.

You, or your beneficiaries, may be liable for tax if you exceed either of these two new allowances. Find out more by visiting **www.gov.uk/tax-on-pension**.

Tax and pensions can be complicated, and we always recommend you speak to an independent financial adviser if you have any concerns. Find one on MoneyHelper by visiting **www.moneyhelper.org.uk** and click on Pensions & Retirement > Find a Retirement Adviser.

Know where to get help

These websites are a useful source of information about pensions and general financial matters.

www.gov.uk for Government information and public services, including workplace pensions and State benefits.

www.moneyhelper.org.uk is the Government-backed service which brings together the support offered by The Money Advice Service, Pension Wise, and the Pensions Advisory Service. MoneyHelper aims to make your money and pension choices clearer by cutting through the jargon and complexity. It's free to use and provides impartial guidance. You can also call MoneyHelper free on **0800 011 3797**, Monday to Friday 9am to 5pm.

www.fca.org.uk/scamsmart for the Financial Conduct Authority's steps on staying safe from pension scams.

Contact

Your Plan administrator – MUFG Retirement Solutions

If you have any questions about your pension, you can contact the Plan's Administrator using the details below:

Pension Administration
PO Box 9810
Bournemouth
BH1 9PF

generalmills@hs-pensions.com

0151 448 5568

Your Trustee

Independent Trustee Services (trading as Independent Governance Group)
4th Floor Cannon Place
78 Cannon Street
London
EC4N 6HL

generalmills@weareigg.com

020 4599 7299

A change to your administrator

You'll notice we refer to the Plan's administrators as MUFG in this issue of the newsletter, instead of HS Pensions. That's because HS pensions was acquired by Link Group in November 2022, who thereafter were acquired by MUFG in May 2024.

There won't be any changes to how your Plan benefits are looked after, and the telephone and email contact details remain the same (these are noted above), so please continue to use them in the usual way. The administrators, will be aligning all their branding and emails addresses to MUFG later in the year.