

# DFDS GROUP UK PENSION SCHEME

NEWSLETTER – MARCH 2025

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# Chairman’s introduction

Dear member,

Welcome to the 2025 edition of the DFDS Group UK Pension Scheme newsletter. In this edition, we provide updates of the results of the Scheme's latest actuarial valuation as at 31 December 2023 and funding update as at 31 December 2024.

In 2023 the Trustee Directors established DFDS Group UK Pension Trustee Limited, a dedicated Trustee Company to take full responsibility for day-to-day management of the Scheme. In autumn 2024, there were further changes to the Trustee Board Structure. Following the changes, the Trustee Directors of DFDS Group UK and DFDS Logistics are now aligned so that the same individuals act as Trustee Directors in relation to both schemes. You will find more details below.

### Expression of Wish form

We kindly remind you to keep the Trustee Directors informed of any changes to your personal details, such as address or marital status. It's also crucial to let us know who you would like your pension to go to the in the event of your death. To update this, please complete an Expression of Wish form. Keeping our records up to date ensures you or your loved ones will receive the benefits that you're entitled to.

To update your details or request an Expression of Wish form please contact Capita, our Scheme Administrators, through the Online Member Portal (link below). Alternatively, you can reach us by e-mail or phone using the contact details below.

Scheme Online Portal: [portal.hartlinkonline.co.uk/dfdsgroup](https://portal.hartlinkonline.co.uk/dfdsgroup)  
Email: [GlasgowOps4Pensions@capita.co.uk](mailto:GlasgowOps4Pensions@capita.co.uk)  
Telephone: 0345 120 0556

We hope you enjoy this newsletter and find the information helpful. If you would like further details about the Scheme or your pension, please don't hesitate to get in touch.

**Troels Kragh**  
**Chairman of the Trustee Board**

# Changes to the Trustee Board

Following the establishment of the Trustee Company, DFDS Group UK Pension Trustee Limited, the composition of the Board of Directors was reviewed, and members were invited to make nominations in autumn 2024. Following completion of this process the Board consists of the below Trustee Directors:

Employer-Nominated Directors (END)	Member-Nominated Directors (MND)	
Troels Kragh (Chair of Trustees)	Gary Ridsdale	Eddie Green
Frances Williams	Alan Burnet	Mark Woodard

# Useful contacts and websites

**The DFDS Group UK Pension Scheme website** contains regulatory and useful information about the Scheme such as the Trustee's Statement of Investment Principles. [dfdsgroup.pensions-directory.co.uk](https://dfdsgroup.pensions-directory.co.uk)

**The Scheme Online Portal** is where you can log in and check your pension benefits in real time and amend your personal details whenever you need to. [portal.hartlinkonline.co.uk/dfdsgroup](https://portal.hartlinkonline.co.uk/dfdsgroup)

**The Pensions Regulator** is the public body that protects workplace pensions in the UK, they work with employers and those running pensions so that people can save safely for their retirement. [www.thepensionsregulator.gov.uk](https://www.thepensionsregulator.gov.uk)

**MoneyHelper** is a resource formed of three government-sponsored services: Money Advice Service, The Pensions Advisory Service and Pension Wise. [www.moneyhelper.org.uk/en/pensions-and-retirement](https://www.moneyhelper.org.uk/en/pensions-and-retirement)

**The Pension Tracing Service** can be used to help you find a lost pension. [www.gov.uk/find-pension-contact-details](https://www.gov.uk/find-pension-contact-details)

**The Financial Conduct Authority (FCA)** is a public record of firms, individuals and other bodies that are Prudential Regulation Authority and/or Financial Conduct Authority authorised. [register.fca.org.uk](https://register.fca.org.uk)

# Scheme updates

### Completion of GMP Equalisation

We mentioned in our previous newsletter that the Trustee Board was working with advisers to carry out the equalisation of any benefits in respect of GMP, following the Lloyds Banking Group High Court judgment (made in November 2018) which requires pension schemes to ensure that GMPs built up between 17 May 1990 and 5 April 1997 are equal between men and women.

Historically, it was possible for GMP benefits to vary between men and women, as women generally built up GMP more quickly with the same earnings and service history. This is because the intention was to provide the same pension for women at 60 as for men at 65. In addition, GMP entitlements may increase at different rates in the period between leaving the Scheme and retirement, depending on the Scheme rules and members' leaving dates. All of this meant that women and men could end up with very different GMP pensions.

As a result of the Lloyds judgment, the Trustee - as with all other pension schemes - has been required to review GMP benefits for all members. We are pleased to inform you that the process of GMP equalisation has been successfully completed. The equalisation has been achieved through a method known as GMP conversion. This approach converts GMP benefits into regular scheme benefits, simplifying the structure of your pension and ensuring compliance with legal requirements. This important project ensures that all members receive fair and equal pension benefits, regardless of gender.

# Scheme finances

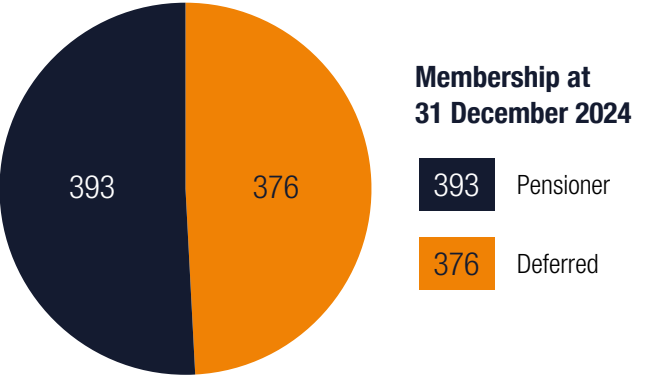
Each year, we publish a formal, audited Trustee Report and Accounts. This report provides a detailed overview of the Scheme's income and outgoings, ensuring members stay informed about its financial health.

The latest audited figures for the year ending December 31, 2023, demonstrate positive progress, with the Scheme's assets increasing from £55.8m to £57.3m. This growth reflects the careful oversight of the Scheme's investments and contributions. For a full breakdown of the Scheme's financial performance, please refer to the table below.

	2023
<b>Total net assets at the start of the year</b>	<b>£55,826,272</b>
<b>Income – paid in</b>	
Contributions	£2,200,000
Other income	-
<b>Total income</b>	<b>£2,200,000</b>
Net Returns on Investment	£2,038,665
<b>Expenditure – paid out</b>	
Benefits paid and payments on account of leavers	(2,769,995)
Administrative expenses	£11
<b>Total expenditure</b>	<b>(£2,769,984)</b>
<b>Total net assets at the end of the year</b>	<b>£57,294,953</b>
<b>Excluding Additional Voluntary Contributions</b>	<b>(£154,483)</b>
<b>Total net assets recorded by the Scheme Actuary</b>	<b>£57,294,953</b>

# Membership

On 31 December 2024, the Scheme had 393 pensioner members and 376 deferred members, making a total membership of 769.



# Additional documents

These are available on request from the Scheme administrator.

**The Statement of Funding Principles**  
This sets out the Scheme's funding plan.

**The Recovery Plan**  
This explains how the funding shortfall is being made up.

**The Statement of Investment Principles**  
This explains how the Trustees invest the money paid into the Scheme.

**The Schedule of Contributions**  
This shows how much money is being paid into the Scheme.

**The Annual Report and Accounts of the Scheme**  
This shows the Scheme's income and expenditure in the year up to 31 December 2023.

**The Annual Scheme Funding Report**  
This sets out the approximate funding position of the Scheme.

**Benefit Statement**  
If you are not currently receiving a pension from the Scheme, you can ask for a copy of your deferred benefit statement.

**The Rules of the Scheme**  
A summary of the rules that govern how the Scheme must be managed.

# Summary Funding Statement

The DFDS Group UK Pension Scheme is required to provide members with an Annual Funding Statement to keep you informed about the Scheme's financial position.

Full actuarial valuations are typically carried out every three years, with the most recent valuation performed as at 31 December 2023. In the intervening years, the Trustee Directors provide members with annual actuarial updates. Key figures from the 2024 and 2022 updates are included in the table below as well as the 2023 valuation results.

To assess the Scheme's financial security, the Scheme Actuary – a qualified, independent professional – compares the Scheme's liabilities (the amount required to pay members' benefits) with its assets. When liabilities exceed assets, the Scheme has a shortfall (deficit). Conversely, if assets exceed liabilities, the Scheme has a surplus.

Although the Scheme has been closed to future benefit accrual since 31 August 2003, the Principal Employer DFDS Seaways PLC, continues to make contributions to ensure the Scheme meets its liabilities as they become due.

It is important to note that the Scheme's assets are held separately from the Company's assets and are managed by the Trustee Directors. The Trustee Directors invest these assets with the aim of generating returns to support the Scheme's financial position.

A summary of the latest actuarial funding update as of 31 December 2024, full triennial actuarial valuation as of 31 December 2023, and an update from the 31 December 2022 are provided in the table below.

Value of assets at:	31 December 2022	31 December 2023	31 December 2024
The value of assets at that date was:	£55.7m	£57.1m	£53.7m
The value of technical provisions was:	£57.6m	£61.2m	£53.8m
Shortfall:	£1.9m	£4.1m	£0.1m
Funding level:	97%	93%	100%

Following the completion of the 31 December 2023 actuarial valuation, the Trustee Directors agreed a Recovery Plan with the Employer to address the funding shortfall of £4.1m. Under this plan, the Employer contributed £183,333 per month from 1 January 2024 and this will continue until 30 November 2025.

Subsequently the Trustee Directors agreed with the Employer to target full funding on a secondary funding objective ("proxy buyout") which includes a greater level of prudence and aims for the Scheme not to be dependent on the Employer. On this secondary basis the deficit, as of 31 December 2023, was £5.9 million. To clear this larger deficit it was agreed that the Employer will continue to pay contributions each month from 1 December 2025 until 31 October 2026 at a rate of £183,333 per month.

In addition, the Employer directly covers the Scheme's running expenses, including levies to the Pension Protection Fund.

As of 31 December 2024, the Technical Provisions funding level was 100% and the estimated deficit reduced to £0.1m. Over the year from 31 December 2023 to 31 December 2024, gilt yields increased, which resulted in a lower value being placed on the liabilities. The increases in gilt yields also reduced the value of the assets, but this reduction was mitigated to an extent by the contributions paid into the Scheme by the employer. The overall result was an improvement in the funding position of the Scheme.

The next full actuarial valuation is scheduled for 31 December 2026.

## Frequently asked questions

### Is my pension guaranteed?

The Trustee Directors' goal is to ensure there are sufficient funds to pay pensions both now and in the future. This relies on the Employer continuing to provide financial support. The Employer has committed to funding the Scheme to help the Trustee Directors meet this objective.

### What happens if the Scheme winds up?

If the Scheme winds up, there is a possibility that you may not receive the full amount of pension you've built up, even if the Scheme is currently fully funded. However, as long as the Scheme remains active, benefits will continue to be paid in full, even if funding levels temporarily fall below target.

If the Scheme begins to wind up, the Employer is legally required to contribute enough to secure all members' benefits with an insurance company. In some cases, the Employer may not be able to cover the

full amount. If the Employer becomes insolvent, the Pension Protection Fund (PPF) may step in to take over the Scheme and provide compensation to members.

For more information about the PPF and how it operates, please visit their official website at [www.ppf.co.uk](http://www.ppf.co.uk)

Alternatively, you can call 0330 123 2222.

If you have further questions about the funding or your pension, please don't hesitate to contact us.

### Is there any other information I should be aware of?

We understand the importance of transparency when it comes to the security of your pension. As part of our commitment to keeping you informed, we are required to let you know if the Employer has withdrawn any funds from the Scheme over the past 12 months. We are pleased to confirm that no money has been taken out of the Scheme during this period.