DSV UK Group Pension Scheme

Annual statement by the Chair of the Trustee for the year to 31 December 2023

Introduction

Governance requirements apply to defined contribution (DC) pension arrangements like the Scheme, to help members achieve a good outcome from their pension savings. The Trustee of the DSV UK Group Pension Scheme (the Scheme) is required to produce a yearly statement describing how these governance requirements have been met.

This Statement covers the period from 1 January 2023 to 31 December 2023 (the Scheme Year).

For the record

This Annual Statement regarding governance has been prepared in accordance with:

Regulation 23 of the Occupational Pension Schemes (Scheme Administration) Regulations 1996 (SI 1996/1715) as amended by subsequent Regulations.

Signed on behalf of the Trustee by:

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Gary Ridsdale

Chair of the Trustee of the DSV UK Group Pension Scheme

Date:

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1 Scheme background

Following the Company's acquisition of Agility Global Logistics in 2021, the merger of the DSV GIL Pension Plan (formerly known as the Agility Pension Plan) into the DSV UK Group Pension Scheme was completed on 30 December 2022. The merger was completed on a sectionalised basis resulting in the creation of the DSV GIL Section (which encompasses members formally in the DSV GIL Pension Plan) and DSV Group Section of the Scheme (which encompasses all other members who were already in the Scheme prior to the merger). This Statement sets out information for the DSV Group Section and DSV GIL Section of the Scheme separately.

The DSV GIL Section has two separate DC sections, "LUMP" and "2006 Plan", both of which closed to accrual prior to the merger. On 31 December 2022, the DC Section of the DSV Group Section closed to future accrual following a decision by the Company to set up a new 'Master Trust' pension arrangement with Aviva in respect of future accrual. From 1 January 2023, member contributions for both the DSV Group and GIL Section were paid to the Aviva Master Trust.

The Scheme offers both Defined Benefits ("DB") and Defined Contribution ("DC") benefits. This Statement covers the DC Sections of the Scheme and both DC and DB additional voluntary contributions ("AVCs"), as per the regulations in force.

The AVC arrangements are categorised as follows:

- DSV Group Section:
    - Prudential With-Profits (DB AVCs)
    - Phoenix With-Profits (DB AVCs)
    - The DSV LGIM Funds, including the UTi Scheme Funds (DC AVCs)
- DSV GIL Section:
    - Royal London Crest With-Profits (DC AVCs)
    - Standard Life Funds, including Pension Millenium With Profit Fund (DC AVCs)

The DC assets of the DSV Group Section (including DC AVCs) and the DC assets of the DSV GIL Section (excluding AVCs) transitioned to the Aviva Master Trust on 2 August 2023.

Although this Chair's Statement covers the Scheme Year from 1 January 2023 to 31 December 2023, the information within it relates only to the period 1 January 2023 to 30 June 2023 for the DSV Group Section and from 1 January 2023 to 31 July 2023 for the DSV GIL Section.

1.1 Illustrations of the impact of charges and costs

The Trustee has an obligation to include information of certain charges and transaction costs borne by Scheme members together with an illustrative example of the cumulative effect over time of the application of those charges and costs on the value of a member's accrued rights to money purchase benefits. As at the Scheme Year end, no members' DC assets remain invested in the Scheme (with the exception of DC AVCs for the DSV GIL Section).

The Trustee has consulted with its legal advisers and believes it would be misleading to show illustrations of the future impact of costs and charges on members' retirement savings in an environment where those benefits are no longer held in the Scheme and the charges borne no longer have any bearing on how benefits may grow over time in the Aviva Master Trust.

2 Investment options

2.1 Default arrangements

DSV Group Section

The DC Section of the DSV Group Section's main default arrangement at 30 June 2023 was the Balanced Drawdown Lifestyle Strategy. A secondary default arrangement is the Full Cash Lifestyle Strategy.

The default arrangements are designed for members who join the Scheme and do not choose an investment option. The Trustee is responsible for the governance of the default arrangements which includes setting and monitoring the investment strategy.

The Trustee decided that the default arrangements should both be lifestyle strategies, which means that members' contributions are automatically moved between different funds as they approach their selected retirement date (also referred to as Selected Retirement Age or SRA).

The way these default arrangements have been designed is in outline:

- The lifestyle options work in three stages throughout a member's working life – the first to help members' pensions grow (in the growth stage), the second to diversify risk (in the diversification phase), and the third to protect their Personal Account in relation to the way they plan to take their benefits (in the pre-retirement phase).
- As members approach five years before their SRA, the Trustee estimates members' tax-free cash lump sum entitlement at retirement (including DB benefits) and compares it to an estimate of the value of their Personal Account (allowing for future investment returns and any regular contributions that are payable). If the excess amount of their Personal Account is under £3,000, the default fund will be the Full Cash Lifestyle. If the excess amount of their Personal Account is over £3,000, the default fund will be the Balanced Drawdown Lifestyle.
- The Balanced Drawdown Lifestyle is a strategy that targets one third of benefits to be taken as a tax-free cash lump sum, by moving 33% of funds into cash gradually over the final 3 years before retirement. The remainder is invested in funds suitable for the use of a drawdown arrangement post-retirement outside of the Scheme, which could continue to grow and could be drawn down during retirement as and when required, giving members the options to choose a flexible level of income.

The main objective of the default arrangements is to provide good member outcomes at retirement by providing, on a defined contribution basis, benefits for members on their retirement or benefits for their dependants on death before or after retirement. The Trustee believed that it is in the best interests of the majority of members to offer a default which:

- Manages the principal investment risks members face during their membership of the Scheme;
- Maximises investment returns relative to inflation while taking an appropriate level of risk during membership of the Scheme for the majority of members who do not make investment choices; and
- Reflects members' likely benefit choices at retirement.

The main investment principles governing the default arrangements are in outline:

- The Scheme is a qualifying scheme for auto-enrolment purposes and is required by regulations to have a default arrangement.
- It is believed that a significant proportion of the membership are either unengaged or unable to decide where their Personal Account should be invested.
- A significant proportion of the membership are expected to have broadly similar investment needs.
- The Trustee believes that the presence of an effective default arrangement will help deliver good outcomes for the members at and into retirement, while subject to a level of investment risk which is appropriate to the majority of members who do not make active investment choices.

The DSV Group Section's Statement of Investment Principles (SIP) covering the default arrangements is appended to this Statement.

The Trustee believes that the default arrangements are appropriate for the majority of the DSV Group Section's members because:

- The majority of the DSV Group Section's members are expected to have broadly similar investment needs;
- The Trustee has taken into account the age and salary profile of members, the likely size of members' DC pension funds at retirement and members' likely benefit choices at and into retirement when designing the default options; and
- The default arrangements are compliant with relevant legislation, regulation and the Scheme's Trust Deed and Rules.

The Trustee regularly monitored the investment performance of the default arrangements through bi-annual investment monitoring reports provided by their investment advisor, and formally carried out in-depth reviews of both the investment performance against the default arrangements' objectives and the suitability of the investment strategies at least every three years. The investment performance of these funds during the Scheme Year is shown in section 3 below and Exhibit 2.

No full review of the performance and suitability of the default arrangements was due to be undertaken during the Scheme Year. The last full review was completed on 4 March 2022. As the DSV Group Section's DC assets (including DC AVCs) have now moved to the Aviva Master Trust, there is no need to carry out another full review of the DC default arrangements.

2.1.1 Asset allocation disclosure

The following table shows the asset allocation for the DSV Group Section's default arrangement, the Balanced Lifestyle Drawdown Strategy for members of different ages, as at 30 June 2023. The exception to this is the DSV Diversified Fund; the fund's asset allocations are as at June 2024. The asset allocation disclosure meets the DWP's statutory guidance "Disclose and Explain asset allocation reporting and performance-based fees and the charge cap" as at January 2023.

Asset class	Percentage allocation – average 25 y/o (%)	Percentage allocation – average 45 y/o (%)	Percentage allocation – average 55 y/o (%)	Percentage allocation – average 1 day prior to State Pension Age (%)
Cash	0.1	0.1	10.6	22.2
Bonds	0.0	0.0	40.1	63.3
Listed equities	100.0	100.0	43.6	13.6
Private equity	0.0	0.0	0.0	0.1
Infrastructure	0.0	0.0	0.0	0.0
Property / real estate	0.0	0.0	0.0	0.8
Private debt / credit	0.0	0.0	0.0	0.0
Other assets	0.0	0.0	5.7	0.0
Total	100	100	100	100

Source: Legal & General, Schroders

Note: The asset allocation figures presented have been calculated from the fund allocations detailed in the respective fund factsheets as of 30 June 2023, with the exception of the DSV Diversified Fund for which the asset allocation is as at June 2024. For members whose asset allocation at the selected age on the default glidepath involves multiple funds, we have determined the overall asset allocation based on the proportion of assets held in each fund.

2.2 DSV GIL Section

For both DC sections (LUMP and 2006 Plan) of the DSV GIL Section, the main default arrangement at 31 July 2023 was as follows:

- For all new entrants from April 2016 and those members who had not already started de-risking into bonds and cash as at April 2016, the default arrangement was the Aon Managed Retirement Pathway Fund series, which assumes members draw down income in retirement.

- For those members who had already started de-risking into bonds and cash as at April 2016, the default arrangement was the Aon Managed Retirement Pathway to Annuity Fund series, which assumes members purchase an annuity at retirement.

Both the Aon Managed Retirement Pathway Fund and Aon Managed Retirement Pathway to Annuity Fund consist of a series of target date funds that seek to provide an appropriate balance between expected risk and return as members move through their working lives. The funds aim to provide real growth (in excess of inflation) for the period up to 15 years before a member's SRA. From 15 years before a member's SRA, lower risk investments are gradually introduced.

The default arrangements are designed for members who join the Scheme and do not choose an investment option. The Trustee is responsible for the governance of the default arrangements which includes setting and monitoring the investment strategy.

The investment arrangements for the DSV GIL Section were agreed and implemented by the Trustee of the DSV GIL Pension Plan. A default arrangement was put in place in acknowledgement that some members will be unwilling (or feel unable to) make investment choices and to provide an appropriate balance between return and risk over the lifetime of a typical member.

The main investment objectives governing the default arrangement are in outline:

- "asset choice" to ensure members have an appropriate choice of assets for investments; and
- "return objective" to enable members to benefit from investment in "growth" assets until they approach retirement, when they will be able to switch to "matching" assets which are more related to the purchasing cost of their income and cash in retirement.

The DSV GIL Section's SIP covering the default arrangements is appended to this Statement.

The Trustee of the DSV GIL Pension Plan believes that the default arrangements are appropriate for the majority of the DSV GIL Section's members because details of the Plan membership, such as the age of members, contribution rates and term to retirement, were taken into account when designing the default options.

The Trustee regularly monitors the investment performance of the default arrangements through bi-annual investment monitoring reports provided by their investment advisor, and formally carries out in-depth reviews of both the investment performance against the default arrangements' objectives and the suitability of the investment strategies at least every three years. The investment performance of these funds during the Scheme Year is shown in section 3 below and Exhibit 2.

No full review of the performance and suitability of the default arrangements was due to be undertaken during the year. The last full review was completed on 8 June 2022. The next full review is intended to take place by 8 June 2025 or immediately following any significant change in investment policy or the Scheme's member profile. As the DSV GIL Section's DC assets (excluding DC AVCs) have now moved to the Aviva Master Trust, there is no need to carry out another full review of the DC default arrangements.

The Trustee is satisfied that the default arrangements remain appropriate for the majority of the DSV GIL Section's members because:

- Its investment performance has been in line with its investment objectives or within expectations;
- Its design continues to meet its principal investment objectives;
- The demographic profile of the membership has not changed materially; and
- Members' needs and likely benefit choices at retirement have not changed materially.

2.2.1 Asset allocation disclosure

The following table shows the asset allocation for the DSV GIL Section's default arrangement, the Aon Managed Retirement Pathway Funds, for members of different ages, as at 31 July 2023. The asset allocation disclosure meets the DWP's statutory guidance "Disclose and Explain asset allocation reporting and performance-based fees and the charge cap" as at January 2023.

Asset class	Percentage allocation – average 25 y/o (%)	Percentage allocation – average 45 y/o (%)	Percentage allocation – average 55 y/o (%)	Percentage allocation – average 1 day prior to State Pension Age (%)
Cash	0.3	0.3	2.3	3.1
Bonds	0.0	0.0	25.9	50.5
Listed equities	90.8	90.8	64.3	40.8
Private equity	0.0	0.0	0.0	0.0
Infrastructure	0.0	0.0	0.0	0.0
Property / real estate	8.9	8.9	5.7	3.1
Private debt / credit	0.0	0.0	0.0	0.0
Other assets	0.0	0.0	1.8	2.5
Total	100	100	100	100

Note: The asset allocation figures presented have been calculated from the fund allocations detailed in the respective fund factsheets as of 31 July 2023. For members whose asset allocation at the selected age on the default glidepath involves multiple funds, we have determined the overall asset allocation based on the proportion of assets held in each fund.

2.3 Other investment options

The Trustee recognises that the default arrangements will not be suitable for the needs of every member and so the Scheme also offers members a choice of other investment options.

The main objectives of these investment options are:

- To cater for the likely needs of a wider range of members;
- To cater for members looking to take different benefits at retirement than those targeted by the default arrangements;
- To offer a wider range of asset classes, levels of risk and return and different investment approaches; and
- To support members who want to take a more active part in how their savings are invested.

DSV Group Section

For the DSV Group Section, these include three additional lifestyle strategies (the Annuity Lifestyle Strategy, the Full Drawdown Lifestyle Strategy and the Extra Cash Lifestyle Strategy) and self-select funds.

The Trustee carries out an in-depth review of the performance and suitability of these other investment options at least every 3 years. The last full review was completed on 4 March 2022. As part of the review, the Trustee considered the following to reach a conclusion on whether the other investment options remined fit for purpose:

- Whether or not the structures of the alternative lifestyle strategies remain suitable and are appropriate for the retirement outcomes that they target.
- The suitability of the self-select fund range, including whether all key asset classes are included in the range and whether a sufficient number of funds are offered without becoming overwhelming for members.
- Member demographic analysis, including pot sizes and current investment choices, to determine whether the other investment options are not only suitable, but are utilised by members.

DSV GIL Section

For the DSV GIL Section, one other target date fund option is offered (the Aon Managed Retirements Pathway to Cash Funds), as well as a range of self-select funds.

The investment arrangements for the DSV GIL Section were agreed and implemented by the Trustee of the DSV GIL Pension Plan. The range of alternative investment options were put in place so that members can tailor their investment choices to meet their requirements, if they so wish. The main investment objectives governing the alternative investment arrangement are in line with those for the default arrangement, namely:

- “asset choice” to ensure members have an appropriate choice of assets for investments; and
- “return objective” to enable members to benefit from investment in “growth” assets until they approach retirement, when they will be able to switch to “matching” assets which are more related to the purchasing cost of their income and cash in retirement.

Prior to the merger, the Trustee of the DSV GIL Pension Plan carried out an in-depth, triennial review of the suitability of the alternative investment options on 8 June 2022. This review considered factors such as the number and range of self-select funds available, as well as the differing levels of risk offered by these funds. The review concluded that the alternative investment arrangements remained suitable.

2.4 Additional Voluntary Contributions (AVCs)

There is no default arrangement, nor a requirement to have a default arrangement, for the Scheme’s AVCs. Further information on the fund’s available for members with AVCs is provided in Section 4.

3 Investment performance

The presentation of the investment performance takes into account the statutory guidance issued by the Department for Work and Pensions. The Trustee has followed the statutory guidance in all areas unless otherwise stated.

The DC Sections of the Scheme transferred to the Aviva Master Trust on 2 August 2023. The investment performance figures shown below are based on available data up to that point. In particular:

- For the LGIM funds in the DSV Group Section, data is based on 1 January 2023 to 30 June 2023; and
- For the Aon funds in the DSV GIL Section, data is based on 1 January 2023 to 31 July 2023.

3.1 Investment conditions

The FTSE All World Total Return Index rose 22.1% in local-currency terms over the year to 31 December 2023, bouncing back strongly after a more turbulent 2022. US equities outperformed given their exposure to technology, which benefited from AI-inspired optimism and strong earnings. The UK market was the region within equity markets which underperformed most, given its exposure to the energy sector, with oil prices declining over the year. Bond prices rose and yields fell sharply over the year, during the last quarter of 2023, amid expectations of larger and sooner rate cuts from central banks in 2024.

3.2 Default arrangements – DSV Group Section

Balanced Drawdown Lifestyle Strategy

Over the year to 31 December 2023 the funds used in the Section's main default arrangement, the Balanced Drawdown Lifestyle Strategy, saw investment returns of between a fall of 1.1% or, put another way, a reduction of £11.00 for every £1,000 invested for the DSV Retirement Income Fund, to a rise in value of 2.9%, or a rise of £29.00 for every £1,000 invested for the DSV Cash Fund.

The investment performance of the funds used in the Balanced Drawdown Lifestyle Strategy during the year to 31 December 2023, net of costs and charges, expressed as a percentage were:

Fund	1 year (% p.a.)	3 year (% p.a.)
DSV Global Equity Fund	11.2	10.4
DSV Diversified Fund	0.1	2.4
DSV Cash Fund	2.9	1.0
DSV Retirement Income Fund	-1.1	-1.2

Source: LGIM

We have requested, but not been provided with, the 5 year performance figures for the funds in the default arrangement.

The default arrangements are two “lifestyle strategies” which invest contributions in funds according to how far each member is from retirement. This means that the investment performance can vary from year to year depending on how close members are to their SRA (which is assumed to be 65 in the table below) and in which fund they are invested at that time. Diagrams showing how these strategies are invested in the underlying funds are shown in the SIP. The table below shows how returns vary by age for the Balanced Drawdown Lifestyle Strategy:

Age of member in 2023 (years)	1 year (% p.a.) (assuming SRA of 65)	3 year (% p.a.) (assuming SRA of 65)
25	11.2	10.4
45	11.2	10.4
50	11.2	10.4
55	0.1	2.4
60	0.1	2.4
64	0.1	0.2
65	0.2	-0.5

Source: LGIM

The Trustee is satisfied that over the Scheme year the DSV Cash Fund has performed in line with its benchmark. The remaining three funds used by the Balanced Drawdown Lifestyle Strategy have underperformed compared to their respective benchmarks, in particular:

- DSV Diversified Fund (6.5% p.a. below benchmark);
- DSV Retirement Income Fund (2.4% p.a. below benchmark);
- DSV Cash Fund (0.2% p.a. below benchmark)

The performance of these funds is not out of line with how similar funds in the wider market performed over the Scheme year. Both the DSV Diversified Fund and DSV Retirement Income Fund are actively managed, so they will not closely track their benchmark of Cash rate + 3.5% p.a. across all time periods, and the benchmark will have increased due to the high inflation over the 12-month period to July 2023.

Full Cash Lifestyle Strategy

Over the year to 31 December 2023 the funds used in the Section’s secondary default arrangement, the Full Cash Lifestyle Strategy, saw investment returns of between a fall of 10.5% or, put another way, a reduction of £105.00 for every £1,000 invested for the DSV Diversified Fund to a rise in value of 1.2%, or a rise of £12.00 for every £1,000 invested for the DSV Cash Fund.

The investment performance of the funds used in the Full Cash Lifestyle Strategy during the year to 30 June 2023, net of costs and charges, expressed as a percentage were:

Fund	1 year (% p.a.)	3 year (% p.a.)
DSV Global Equity Fund	11.2	10.4
DSV Diversified Fund	0.1	2.4
DSV Cash Fund	2.9	1.0

Source: LGIM

As described above, investment returns for the Full Cash Lifestyle Strategy vary by age and are shown below:

Age of member in 2022 (years)	1 year (% p.a.) (assuming SRA of 65)	3 year (% p.a.) (assuming SRA of 65)
25	11.2	10.4
45	11.2	10.4
50	11.2	10.4
55	0.1	2.4
60	0.1	2.4
64	2.0	1.5
65	2.9	1.0

Source: LGIM

As described above, the Trustee is satisfied that over the Scheme year the DSV Cash Fund has performed in line with its benchmark. The remaining two funds used by the Full Cash Lifestyle Strategy have underperformed compared to their respective benchmarks, in particular: DSV Diversified Fund (6.5% p.a. below benchmark) and the DSV Retirement Income Fund (2.4% p.a. below benchmark). Further details on this are provided above.

3.3 Other investment options – DSV Group Section

The self-select funds available, including the funds used in the alternative lifestyle options, changed in value by a fall of 25% to a rise of 11.9% during the year to 31 December 2023, or put another way a change between a fall of £250.00 to a rise of £11.90 for every £1,000 invested.

The investment returns for the **Annuity Lifestyle Strategy** by age are provided below:

Age of member in 2023 (years)	1 year (% p.a.) (assuming SRA of 65)	3 year (% p.a.) (assuming SRA of 65)
25	11.2	10.4
45	11.2	10.4
50	11.2	10.4
55	0.1	2.4
60	0.1	2.4
64	-6.7	-5.8
65	-8.3	-8.0

Source: LGIM

The investment returns for the **Full Drawdown Lifestyle Strategy** by age are provided below:

Age of member in 2023 (years)	1 year (% p.a.) (assuming SRA of 65)	3 year (% p.a.) (assuming SRA of 65)
25	11.2	10.4
45	11.2	10.4
50	11.2	10.4
55	0.1	2.4
60	0.1	2.4
64	-0.9	-0.5
65	-1.1	-1.2

Source: LGIM

The investment returns for the **Extra Cash Lifestyle Strategy** by age are provided below:

Age of member in 2023 (years)	1 year (% p.a.) (assuming SRA of 65)	3 year (% p.a.) (assuming SRA of 65)
25	11.2	10.4
45	11.2	10.4
50	11.2	10.4
55	0.1	2.4
60	0.1	2.4
64	1.0	0.9
65	1.6	0.3

Source: LGIM

The Trustee is satisfied that over the Scheme year the DSV Cash Fund and the DSV UK Equity Fund have performed in line with their respective benchmarks. The remaining funds, as described earlier, have underperformed compared to their respective benchmarks, in particular:

- DSV Diversified Fund (6.5% p.a. below benchmark); and
- DSV Retirement Income Fund (2.4% p.a. below benchmark).

Further details are provided above.

The Section also offers AVC funds. Further information on the AVC funds can be found in section 4 and further information on the investment returns for the AVC funds can be found in Exhibit 3.

3.4 Default arrangements – DSV GIL Section

Aon Managed Retirement Pathway Funds

Over the year to 31 December 2023 the funds used in the default arrangement for new joiners from and those who had not started de-risking as at April 2016, the Aon Managed Retirement Pathway Funds, saw investment returns of between a fall of 0.01% or, put another way, a reduction of £0.10 for every £1,000 invested, to a rise in value of 2.7%, or an increase of £27.10 for every £1,000 invested.

The investment performance of the funds used in the Aon Managed Retirement Pathway Funds during the year to 31 December 2023, net of costs and charges, expressed as a percentage were:

Fund	1 year (% p.a.)	3 year (% p.a.)	5 years (%p.a.)
Aon Managed Retirement Pathway 2022-2024	-0.01	2.4	2.9
Aon Managed Retirement Pathway 2025-2027	0.3	3.1	3.3
Aon Managed Retirement Pathway 2028-2030	0.7	4.0	3.6
Aon Managed Retirement Pathway 2031-2033	1.1	5.5	4.3
Aon Managed Retirement Pathway 2034-2036	1.8	7.8	5.3
Aon Managed Retirement Pathway 2037-2039	2.7	8.7	5.9
Aon Managed Retirement Pathway 2040-2042	2.7	8.7	5.9
Aon Managed Retirement Pathway 2043-2045	2.7	8.7	5.9
Aon Managed Retirement Pathway 2046-2048	2.7	8.7	5.9
Aon Managed Retirement Pathway 2049-2051	2.7	8.7	5.9
Aon Managed Retirement Pathway 2052-2054	2.7	8.7	5.9
Aon Managed Retirement Pathway 2055-2057	2.7	8.7	5.9
Aon Managed Retirement Pathway 2058-2060	2.7	8.7	5.9
Aon Managed Retirement Pathway 2061-2063	2.7	8.7	5.9

Source: Aegon, Aon. Returns are shown net of charges. Inception date for majority of funds is 31 May 2015. Funds in which performance data was not received were not included. However, the funds listed above are all the funds invested for members ages 25 to 65.

Both default arrangements make use of target dated funds, the underlying allocations of which vary depending on how far each member is from retirement. This means that the investment performance can vary from year to year depending on how close members are to their SRA (which is assumed to be 65 in the table below). The target date fund members are invested in is determined by their retirement date (for example, a member aged 50 in 2023 with an SRA of 65 will be due to retire in 2037, so will be invested in the 2037-2039 fund).

The table below shows how returns vary by age for the Aon Managed Retirement Path Funds:

Age of member in 2022 (years)	1 year (% p.a.) (assuming SRA of 65)	3 year (% p.a.) (assuming SRA of 65)	5 year (% p.a.) (assuming SRA of 65)
25	2.7	8.7	5.9
45	2.7	8.7	5.9
50	2.7	8.7	5.9
55	1.1	5.5	4.3
60	0.7	4.0	3.6
64	-0.01	2.4	2.9
65	-0.01	2.4	2.9

Source: Aegon, Aon

Over the Scheme Year, all of the Aon Managed Retirement Pathway funds underperformed their benchmarks by more than 1%. The 2022-2024 to the 2028-2023 Funds were more than 1% but less than 2% of relative underperformance to their benchmarks, and the remaining funds (2031-2033 up until 2061-2063 Funds) underperformed between 2.1% to 2.3% p.a. below their benchmarks.

The performance of these funds is not out of line with how similar funds in the wider market performed over what was a volatile year. Over the 3 year and 5 year periods to 31 July 2023, these funds have performed within 2.5% of their respective objectives.

Aon Managed Retirement Pathway to Annuity Funds

Over the year to 31 December 2023 the funds used in the default arrangement for members who had already started de-risking prior to April 2016, the Aon Managed Retirement Pathway to Annuity Funds, saw investment returns of between a fall of 11.6% or, put another way, a reduction of £116.20 for every £1,000 invested, to a fall in value of 2.9%, or a fall of £29.00 for every £1,000 invested.

The investment performance of the funds used in the Aon Managed Retirement Pathway to Annuity Funds during the year to 31 July 2023, net of costs and charges, expressed as a percentage were:

Fund	1 year (% p.a.)	3 year (% p.a.)	5 year (% p.a.)
Aon Managed Retirement Pathway to Annuity Perpetual Fund	-11.6	-9.1	-2.7
Aon Managed Retirement Pathway to Annuity 2019-2021 Fund	-11.5	-9.1	-2.9
Aon Managed Retirement Pathway to Annuity 2022-2024 Fund	-10.1	-5.4	-1.5
Aon Managed Retirement Pathway to Annuity 2025-2027* Fund	-2.9	1.6	N/A

Source: Aegon, Aon. Inception date for majority of funds is 31 May 2015, except funds marked with * which launched 29 June 2019, and therefore no data is available for the 5-year period (fund performance may be tracked at a later date from the fund launch date).

The investment returns for the Aon Managed Retirement Pathway to Annuity Funds by age are provided below (please note returns are only shown for ages 60 and above, as based upon the information provided by Aon there are no members under this age are invested in these funds):

Age of member in 2022 (years)	1 year (% p.a.) (assuming SRA of 65)	3 year (% p.a.) (assuming SRA of 65)	5 year (% p.a.) (assuming SRA of 65)
60	N/A	N/A	N/A
64	-10.1	-5.4	-1.5
65	-10.1	-5.4	-1.5

Source: Aegon, Aon

The four Aon Managed Retirement Pathway to Annuity Funds listed above performed below their benchmark over the Scheme Year. Their performance compared to the benchmarks were:

- Aon Managed Retirement Pathway to Annuity Fund Perpetual (2.9% p.a. below benchmark)
- Aon Managed Retirement Pathway to Annuity Fund 2019-2021 (2.8% p.a. below benchmark)
- Aon Managed Retirement Pathway to Annuity Fund 2022-2024 (2.3% p.a. below benchmark)
- Aon Managed Retirement Pathway to Annuity Fund 2025-2027 (1.9% p.a. below benchmark)

The performance of these funds is not out of line with how similar funds in the wider market performed over what was a volatile year. The Trustee will continue to regularly monitor the performance of these funds closely.

3.5 Other investment options – DSV GIL Section

Aon Managed Retirements Pathway to Cash Funds

During the Scheme Year members had the ability to invest in the Aon Managed Retirements Pathway to Cash Funds on a self-select basis. It is the Trustee's understanding that no members were invested in this fund during the Scheme Year. The Trustee notes that neither the Q4 2022 Summary Investment Report produced by Aon, nor the pre-transition report covering all the funds in the DSV GIL Section that would be transitioned to the Aviva Master Trust, make any reference to members being invested in the Aon Managed Retirements Pathway to Cash Funds. Nevertheless, the Trustee has requested information on the charges, transaction costs and investment performance in respect of these funds. This information was not available prior to this Statement being finalised and signed.

Self-select funds

The self-select funds available changed in value by a fall of 23.2% to a rise of 3.2% during the year to 31 December 2023, or put another way a change between a fall of £232.00 to a rise of £32.00 for every £1,000 invested.

The investment performance of the self-select funds used during the year to 31 December 2023, net of costs and charges, expressed as a percentage were:

Fund	1 year (% p.a.)	3 year (% p.a.)	5 year (% p.a.)
Aon Managed Initial Growth Phase Fund	2.6	9.0	6.1
Aon Managed Diversified Asset Fund	1.4	1.6	2.3
Aon Managed Bond Phase Fund	-2.6	-2.6	0.1
Aon Managed Long Term Inflation Linked Fund	-23.3	-15.6	-6.0
Aon Managed Pre-Retirement Bond Fund	-16.4	-12.4	-4.0
Aon Managed Liquidity Fund	3.2	1.1	0.8
Aon Managed Property and Infrastructure Fund	N/A	N/A	N/A
HSBC Islamic Global Equity Index Fund	N/A	N/A	N/A

Source: Aegon, Aon

The Trustee is satisfied that over the Scheme Year the self-select funds have performed broadly in line with their benchmarks, except for:

- Aon Managed Initial Growth Phase Fund (2.1% p.a. below benchmark);
- Aon Managed Diversified Asset Fund (2.0% p.a. below benchmark);
- Aon Managed Pre-Retirement Bond Fund (3.6% p.a. below benchmark).

The performance of these funds is not out of line with how similar funds in the wider market performed over what was a volatile year. The Trustee will continue to regularly monitor the performance of these funds closely.

The Section also offers AVC funds. Further information on the AVC funds can be found in section 4 and further information on the investment returns for the AVC funds can be found in Exhibit 3.

4 Charges and transaction costs

The charges and costs borne by members and the Company for the Scheme's services are:

Service	By members	Shared	By the Company
Investment management	Yes	-	-
Investment transactions	Yes	-	-
Administration	-	Yes (DSV GIL Section)	Yes (DSV Group Section)
Communications	-	-	Yes
Scheme management and governance	-	-	Yes

Please note that the costs assessed in the table above cover the DC Sections of the Scheme and DB AVCs only. The costs above do not relate to DB benefits (excluding DB AVCs) – the cost of which are met by DSV Road Holding Limited (the Company).

For members of the DSV Group Section, all administration costs are met by the Company. For members of the DSV GIL Section DC sections (LUMP and 2006 Plan) an annual fixed administration charge of £25 is deducted from each member's fund.

The presentation of the charges and costs, together with the projections of the impact of charges and costs, takes into account the statutory guidance issued by the Department for Work and Pensions. The Trustee has followed the statutory guidance in all areas.

Charges

The charges quoted in this Statement are the funds' Total Expense Ratios (TERs). The TER consists of a fund's Annual Management Charge (AMC) and Operating Costs and Expenses (OCE) (also known as additional expenses). OCEs include, for example, the fund's custodian costs, but exclude transaction costs. While the AMC is usually fixed, the OCE, and hence the TER, can vary slightly from day to day.

For the DSV Group Section, the charges are deducted by the provider (LGIM) before the funds' unit prices are calculated. For the DSV GIL Section, the charges are deducted by the provider (Aon) before the fund prices are calculated.

Transaction costs

The funds' transaction costs are in addition to the funds' TERs and can arise when:

- The fund manager buys or sells part of a fund's portfolio of assets; or
- The platform provider or fund manager buys or sells units in an underlying fund.

Transaction costs vary from day to day depending on where each fund is invested and stock market conditions at the time. Transaction costs can include: custodian fees on trades, stockbroker commissions and stamp duty (or other withholding taxes). Transaction costs are deducted before the funds' unit prices are calculated. This means that transaction costs are not readily visible, but these costs will be reflected in a fund's investment performance.

The Financial Conduct Authority ("FCA") requires fund managers and providers to calculate transaction costs using the "slippage method", which compares the value of assets immediately before and after a transaction has taken place. This can give rise to negative transaction costs where favourable stock market movements during a transaction offset the rest of the trading costs (such as stockbroker commission).

The transaction costs shown in this statement are those taken from funds while members are invested in them. The transaction costs shown here do not include any costs members may incur from time to time when buying or selling units in the provider's funds caused by the fund manager's unit price for a fund moving from a "bid" to "offer" basis (or vice versa) or any other "dilution levy" when units in that fund are bought or sold to protect the value of the fund for other investors.

4.1 Member-borne charges and transaction costs

The charges and transaction costs for the DSV Group Section have been supplied by the Section's investment manager (LGIM) and the legacy AVC providers (Prudential and Phoenix).

It was not possible to obtain all the information on charges and transaction costs for the Scheme Year for the Prudential With-Profit fund and the Phoenix With-Profit fund. More details are provided in section 9.

The charges and transaction costs for the DSV GIL Section have been supplied by the Section's investment manager (Aon) and legacy AVC providers (Royal London and Standard Life).

4.2 Performance based fees

There were no performance-based fees which were deducted from the default arrangement during the Scheme Year.

4.3 Default arrangements - DSV Group Section

Balanced Drawdown Lifestyle Strategy

During the year covered by this Statement the member-borne charges for the default Balanced Drawdown Lifestyle Strategy were in a range from 0.191% p.a. to 0.302% p.a. of the amount invested or, put another way, in a range from £1.91 to £3.02 per £1,000 invested.

The transaction costs borne by members in the default Balanced Drawdown Lifestyle Strategy during the year were in a range from 0.058% p.a. to 0.213% p.a. of the amount invested or, put another way, in a range from £0.58 to £2.13 per £1,000 invested.

For the Scheme Year, the annualised charges and transaction costs were:

Period to retirement	Age of member in 2023 (years) (assuming SRA of 65)	Charge		Transaction costs	
		% p.a.	£ per £1,000	% p.a.	£ per £1,000
Up to 15 years	50	0.191	1.91	0.158	1.58
13 years	52	0.235	2.35	0.180	1.80
Between 10 and 5 years	55-60	0.302	3.02	0.213	2.13
3 years	62	0.287	2.87	0.170	1.70
At retirement	65	0.198	1.98	0.058	0.58

Source: LGIM

Over a 40-year savings period the average charge for the Balanced Drawdown Lifestyle Strategy is c.0.221% p.a. This is calculated by summing the charges (TERs) in the Balanced Drawdown Lifestyle Strategy over a 40-year saving period and dividing by 40.

Full Cash Lifestyle Strategy

During the Scheme Year the member-borne charges for the default Full Cash Lifestyle Strategy were in a range from 0.104% p.a. to 0.302% p.a. of the amount invested or, put another way, in a range from £1.04 to £3.02 per £1,000 invested.

The transaction costs borne by members in the default Full Cash Lifestyle Strategy during the year were in a range from 0.069% p.a. to 0.213% p.a. of the amount invested or, put another way, in a range from £0.69 to £2.13 per £1,000 invested.

For the Scheme Year, the annualised charges and transaction costs were:

Period to retirement	Age of member in 2022 (years) (assuming SRA of 65)	Charge		Transaction costs	
		% p.a.	£ per £1,000	% p.a.	£ per £1,000
Up to 15 years	50	0.191	1.91	0.158	1.58
13 years	52	0.235	2.35	0.180	1.80
Between 10 and 5 years	55-60	0.302	3.02	0.213	2.13
3 years	62	0.302	3.02	0.213	2.13
At retirement	65	0.104	1.04	0.069	0.69

Source: LGIM

Over a 40-year savings period the average charge for the Full Cash Lifestyle Strategy is c.0.168% p.a. This is calculated by summing the charges (TERs) in the Full Cash Lifestyle Strategy over a 40-year saving period and dividing by 40.

The table in Exhibit 1a gives the charges and transaction costs for each fund used by the default arrangements.

The DSV Group Section is a qualifying scheme for auto-enrolment purposes and the member borne charges for the default arrangements complied with the charge cap during the Scheme Year.

4.4 Other investment options – DSV Group Section

In addition to the default arrangements, members also had the option to invest in three alternative lifestyle strategies and 13 self-select funds, including the funds in the default arrangements. Further detail is provided below.

4.4.1 Lifestyle strategies

In addition to the default arrangements, members had the option to invest in three alternative lifestyle strategies. These are the: Annuity Lifestyle Strategy, Full Drawdown Lifestyle Strategy and Extra Cash Lifestyle Strategy. The lifestyle strategies outside the default arrangements also invest contributions in different funds according to how far each member is from retirement. Therefore, the charges and transaction costs borne by each member can also vary from one year to the next. Diagrams showing how these strategies are invested in the underlying funds are shown in the SIP.

Annuity Lifestyle Strategy

During the Scheme Year the member-borne charges for the Annuity Lifestyle Strategy were in a range from 0.119% p.a. to 0.302% p.a. of the amount invested or, put another way, in a range from £1.19 to £3.02 per £1,000 invested.

The transaction costs borne by members in the Annuity Lifestyle Strategy during the year were in a range from 0.007% p.a. to 0.213% p.a. of the amount invested or, put another way, in a range from £0.07 to £2.13 per £1,000 invested.

For the period covered by this Statement, the annualised charges and transaction costs were:

Period to retirement	Age of member in 2023 (years) (assuming SRA of 65)	Charge		Transaction costs	
		% p.a.	£ per £1,000	% p.a.	£ per £1,000
Up to 15 years	50	0.191	1.91	0.158	1.58
13 years	52	0.235	2.35	0.180	1.80
Between 10 and 5 years	55-60	0.302	3.02	0.213	2.13
3 years	62	0.255	2.55	0.149	1.49
At retirement	65	0.119	1.19	0.007	0.07

Source: LGIM

Over a 40-year savings period the average charge for the Annuity Lifestyle Strategy is c.0.215% p.a. This is calculated by summing the charges (TERs) in the Annuity Lifestyle Strategy over a 40-year saving period and dividing by 40.

Full Drawdown Lifestyle Strategy

During the Scheme Year the member-borne charges for the Full Drawdown Lifestyle Strategy were in a range from 0.191% p.a. to 0.302% p.a. of the amount invested or, put another way, in a range from £1.91 to £3.02 per £1,000 invested.

The transaction costs borne by members in the Full Drawdown Lifestyle Strategy during the year were in a range from 0.053% p.a. to 0.213% p.a. of the amount invested or, put another way, in a range from £0.53 to £2.13 per £1,000 invested.

For the period covered by this Statement, the annualised charges and transaction costs were:

Period to retirement	Age of member in 2023 (years) (assuming SRA of 65)	Charge		Transaction costs	
		% p.a.	£ per £1,000	% p.a.	£ per £1,000
Up to 15 years	50	0.191	1.91	0.158	1.58
13 years	52	0.235	2.35	0.180	1.80
Between 10 and 5 years	55-60	0.302	3.02	0.213	2.13
3 years	62	0.279	2.79	0.149	1.49
At retirement	65	0.245	2.45	0.053	0.53

Source: LGIM

Over a 40-year savings period the average charge for the Full Drawdown Lifestyle Strategy is c.0.222% p.a. This is calculated by summing the charges (TERs) in the Full Drawdown Lifestyle Strategy over a 40-year saving period and dividing by 40.

Extra Cash Lifestyle Strategy

During the Scheme Year the member-borne charges for the Extra Cash Lifestyle Strategy were in a range from 0.151% p.a. to 0.302% p.a. of the amount invested or, put another way, in a range from £1.51 to £3.02 per £1,000 invested.

The transaction costs borne by members in the Extra Cash Lifestyle Strategy during the year were in a range from 0.063% p.a. to 0.213% p.a. of the amount invested or, put another way, in a range from £0.63 to £2.13 per £1,000 invested.

For the Scheme Year, the annualised charges and transaction costs were:

Period to retirement	Age of member in 2023 (years) (assuming SRA of 65)	Charge		Transaction costs	
		% p.a.	£ per £1,000	% p.a.	£ per £1,000
Up to 15 years	50	0.191	1.91	0.158	1.58
13 years	52	0.235	2.35	0.180	1.80
Between 10 and 5 years	55-60	0.302	3.02	0.213	2.13
3 years	62	0.295	2.95	0.192	1.92
At retirement	65	0.151	1.51	0.063	0.63

Source: LGIM

Over a 40-year savings period the average charge for the Extra Cash Lifestyle Strategy is c.0.219% p.a. This is calculated by summing the charges (TERs) in the Extra Cash Lifestyle Strategy over a 40-year saving period and dividing by 40.

The table in Exhibit 1b gives the charges and transaction costs for each fund used by the above alternative lifestyle strategies.

4.4.2 Self-select funds

The Section offered members a choice of 13 self-select funds (including 3 funds which are only available to certain members of the Uti Scheme – Exhibit 1c for more details). These funds allow members to take a more tailored approach to managing their pension investments.

During the Scheme Year the charges for the self-select funds were in a range from 0.09% p.a. to 0.400% p.a. of the amount invested or, put another way, in a range from £0.90 to £4.00 per £1,000 invested.

The transaction costs borne by members in the self-select funds during the year were in a range from -0.02% p.a. to 0.210% p.a. of the amount invested or, put another way, in a range from a saving of £0.20 to a cost of £2.10 per £1,000 invested.

The table in Exhibit 1c gives the charges and transaction costs for each self-select fund.

4.5 Default arrangements - DSV GIL Section

The charges and transaction costs stated in the tables for the DSV GIL Section below include no allowance for the £25 p.a. administration charge paid by members.

Aon Managed Retirement Pathway Funds

During the Scheme Year covered by this Statement the member-borne charges for the default Aon Managed Retirement Pathway Funds were in a range from 0.333% p.a. to 0.343% p.a. of the amount invested or, put another way, in a range from £3.33 to £3.43 per £1,000 invested.

The transaction costs borne by members in the default Aon Managed Retirement Pathway Funds during the year were in a range from 0.110% p.a. to 0.039% p.a. of the amount invested or, put another way, in a range from £0.39 to £1.09 per £1,000 invested.

For the period covered by this Statement, the annualised charges and transaction costs split by period-to-retirement were:

Fund	Period to retirement	Age of member in 2023 (years) (assuming SRA of 65)	Charge		Transaction costs	
			% p.a.	£ per £1,000	% p.a.	£ per £1,000
Aon Managed Retirement Pathway 2043-2045	20 years	45	0.335	3.35	0.039	0.39.
Aon Managed Retirement Pathway 2037-2039	15 years	50	0.335	3.35	0.039	0.39
Aon Managed Retirement Pathway 2031-2033	10 years	55	0.335	3.35	0.085	0.85
Aon Managed Retirement Pathway 2028-2030	5 years	60	0.335	3.35	0.094	0.94
Aon Managed Retirement Pathway 2022-2024	At retirement	65	0.335	3.35	0.109	1.92

Source: Aon.

Over a 40-year savings period the average charge for the Aon Managed Retirement Pathway Funds is 0.335% p.a. This is calculated by summing the charges (TERs) in the Aon Managed Retirement Pathway Funds over a 40-year saving period and dividing by 40.

The table in Exhibit 1e gives the charges and transaction costs for each fund used in the default arrangement.

Aon Managed Retirement Pathway to Annuity Funds

During the Scheme Year covered by this Statement the member-borne charges for the default Aon Managed Retirement Pathway to Annuity Funds were 0.33% p.a. of the amount invested for all funds or, put another way, £3.33 per £1,000 invested.

The transaction costs borne by members in the default Aon Managed Retirement Pathway to Annuity Funds during the year were in a range from 0.004% p.a. to 0.094% p.a. of the amount invested or, put another way, in a range from £0.015 to £0.94 per £1,000 invested.

For the period covered by this Statement, the annualised transaction costs and charges were:

Fund	Period to retirement	Age of member in 2023 (years) (assuming SRA of 65)	Charges		Transaction costs	
			% p.a. of the amount invested	£ p.a. per £1,000 invested	% p.a. of the amount invested	£ p.a. per £1,000 invested
Aon Managed Retirement Pathway to Annuity Perpetual Fund	At retirement	65+	0.33	3.30	0.004	0.035
Aon Managed Retirement Pathway to Annuity 2019-2021 Fund	At retirement	65+	0.33	3.30	0.004	0.037
Aon Managed Retirement Pathway to Annuity 2022-2024 Fund	At retirement – 2 years	63 – 65	0.33	3.30	0.004	0.035
Aon Managed Retirement Pathway to Annuity 2025-2027 Fund	3 years – 5 years	60 - 62	0.33	3.30	0.055	0.550

Source: Aon.

An average charge over a 40-year savings period has not been calculated for the Aon Managed Retirement Pathway to Annuity Funds has not been calculated, as based on the information provided by Aon we do not expect any members to be invested in these funds for a 40-year period.

4.6 Target Date options outside the default arrangements

Aon Managed Retirement Pathway to Cash Funds

During the Scheme Year covered by this Statement the member-borne charges for the default Aon Managed Retirement Pathway to Cash Funds were in a range from 0.340% p.a. to 0.340%p.a. of the amount invested or, put another way, in a range from £3.40 to £3.40 per £1,000 invested.

The transaction costs borne by members in the default Aon Managed Retirement Pathway to Cash Funds during the year were in a range from 0.015% p.a. to 0.094% p.a. of the amount invested or, put another way, in a range from £0.15 to £0.94 per £1,000 invested.

For the period covered by this Statement, the annualised transaction costs and charges were:

Period to retirement	**Period to retirement**	**Age of member in 2023 (years) (assuming SRA of 65)**	**Charge**		**Transaction costs**	
			% p.a.	**£ per £1,000**	**% p.a.**	£ per £1,000
Aon Managed Retirements Pathway to Cash Funds 2019-2021	At retirement	65+	0.340	3.40	0.015	0.150
Aon Managed Retirements Pathway to Cash Funds 2025-2027	At retirement – 2 years	62 - 64	0.340	3.40	0.058	0.580
Aon Managed Retirements Pathway to Cash Funds 2028-2030*	3 years – 5 years	59 - 61	0.340	3.40	0.094	0.940

Source: Aon.

An average charge over a 40-year savings period has not been calculated for the Aon Managed Retirement Pathway to Cash Funds has not been calculated, as based on the information provided by Aon we do not expect any members to be invested in these funds for a 40-year period.

4.7 Self-select funds

The DSV GIL Section offers members a choice of 8 self-select funds. These funds allow members to take a more tailored approach to managing their pension investments.

During the year covered by this Statement the member-borne charges for the self-select funds were in a range from 0.210% p.a. to 0.490% p.a. of the amount invested or, put another way, in a range from £2.10 to £4.90 per £1,000 invested.

The transaction costs borne by members in the self-select funds during the year were in a range from 0.00% p.a. to 0.280% p.a. of the amount invested or, put another way, in a range from £0.00 to £2.80 per £1,000 invested.

The table in Exhibit 1g gives the charges and transaction costs for each self-select fund.

4.8 Additional Voluntary Contributions (AVCs)

All AVCs in the Scheme were closed to contributions over the Scheme year. The AVC arrangements are categorised as follows

- Group Section:
  - Prudential With-Profits (DB AVCs)
  - Phoenix With-Profits (DB AVCs)
  - The DSV LGIM Funds, including the UTi Scheme Funds (DC AVCs)
- GIL Section:
  - Royal London Crest With-Profits (DC AVCs)
  - Standard Life Funds, including Pension Millenium With Profit Fund (DC AVCs)

DSV Group Section AVCs

- Prudential With-Profits Fund (DB AVCs):
  - The Trustee, after having requested the data, were unable to obtain information on the charges associated with the Fund.
  - The transaction costs associated with the Prudential With-Profits Fund amounted to 0.17% p.a. or, put another way £1.70 per £1,000 invested (data as at 6 June 2023).
- Phoenix With-Profits Fund (DB AVCs):
  - Over the Scheme Year to 31 December 2023, the Fund has charges of 0.50% p.a., or put another way, £5.00 per £1,000 invested.
  - The Trustee, after having requested the data, were unable to obtain information on the transaction costs associated with the Fund
- The DSV LGIM Funds, including the UTI Scheme Funds (DC AVCs):
  - During the Scheme Year the charges for the self-select funds were in a range from 0.09% p.a. to 0.400% p.a. of the amount invested or, put another way, in a range from £0.90 to £4.00 per £1,000 invested.
  - The transaction costs borne by members in the self-select funds during the year were in a range from -0.02% p.a. to 0.210% p.a. of the amount invested or, put another way, in a range from a saving of £0.20 to a cost of £2.10 per £1,000 invested.

The table in Exhibit 2d shows the charges and transaction costs for each AVC fund in the DSV Group Section.

DSV GIL Section AVCs

- Royal London Crest With-Profits (DC AVCs):
  - Over the Scheme year to 31 December 2023, the Fund has charges of 1.45% p.a. or, put another way, charges £14.50 per £1,000 invested.
  - The Trustee, after having requested the data, were unable to obtain the information on the transaction costs associated with the Fund.
- Standard Life Funds, including Pension Millenium With Profit Fund (DC AVCs):
  - During the Scheme Year the charges for the Standard Life funds were in a range from 1.00% p.a. to 1.04% p.a. of the amount invested or, put another way, in a range from £10.00 to £10.40 per £1,000 invested (based on data as at 27 October 2023).
  - The Trustee, after having requested the data, were unable to obtain the information on the transaction costs associated with the Standard Life Funds.

The table in Exhibit 2h shows the charges and transaction costs for each AVC fund in the DSV GIL Section.

5 Value for Members

The Trustee has carried out an assessment of whether the charges and transaction costs for the default arrangements and other investment options, which were borne in full or in part by members, represent good Value for Members (VFM). Value is not simply about low cost – the Trustee also considered the quality of the services which members paid for. With the help of its advisers the Trustee compared the charges and costs as well as the quality of the services against other similar schemes.

Approach

The Trustee adopted the following approach to assessing VFM for the last year:

- Services – considered the services where members bear or share the costs;
- Outcomes – weighted each service according to its likely impact on outcomes for members at retirement (noting that the only services members pay for are investment, and in some cases, administration services);
- Comparison – the cost and quality of each service against similar schemes and available external comparisons; and
- Rating – rated each service from poor to excellent.

The VFM assessment only considers the services where members bear or share the costs.

The costs of each service are borne by:

Category	Paid for by members	Paid for jointly	Paid for by the Company
Investment	Yes	-	-
Administration	-	Yes (DSV GIL Section)	Yes (DSV Group Section)
Communications	-	-	Yes
Scheme Management and Governance	-	-	Yes

As such, the VFM assessment considers the Scheme's investment and administration services only.

The Scheme's membership characteristics including age profile, contribution levels, usage of investment options and benefit choices at retirement have been considered to arrive at a weighting for the likely impact of each service upon member outcomes.

Category	Value for Members weighting	Rationale
Investment	75%	Suitable investment options that strike a balance between risk and return appropriate to the member profile as well as reflecting members' benefit choices at retirement, whilst minimising charges are important to members achieving a good outcome at retirement.
Administration	25%	Members are informed and instructions are carried out within appropriate timeframes via efficient processing of core financial transactions, good record keeping and providing suitable quality administration support at an appropriate cost.

The rating criteria used in the assessment were:

Value for Members rating	Definition
Excellent	The Trustee considers the Scheme offers excellent value for members, providing services within a top 20% quality/cost range compared with typical options for similar schemes.
Good	The Trustee considers the Scheme offers good value for members, providing services at better quality/cost compared with typical options for similar schemes.
Average	The Trustee considers the Scheme offers average value for members, providing similar services at similar quality/cost compared with typical options for similar schemes.
Below average	The Trustee considers the Scheme offers below average value for members, providing similar services at higher cost or more limited services for similar cost compared with typical options for similar schemes.
Poor	The Trustee considers the Scheme offers poor value for members providing services, within the bottom 20% quality/cost range compared with typical options for similar schemes.

Results for the year ending 31 December 2023

The Scheme provided **Good** VFM in the year ending 31 December 2023.

Value for Members

The rationale for the rating of each service was in outline:

<table>
<tr><th>Service and weighting</th><th>Rating</th><th>Rationale</th></tr>
<tr><td>Investment
75%</td><td>Good</td><td>DSV Group Section and DSV GIL Section

The DC Section of the Scheme moved to the Aviva Master Trust in August 2023. This assessment considers the value provided to members in the period 1 January 2023 to 31 July 2023 only.

Charges were less than those of comparable schemes and compare well to the DWP pensions survey 2020 average charge of 0.38% p.a. (albeit this is for bundled arrangements, which includes administration services). Transaction costs were below the DWP pensions survey 2020 average transaction cost of 0.26% for unbundled schemes.

DSV Group Section

Net investment performance over the year to 31 July 2023 was broadly in line with the funds’ objectives for most funds available in the DSV Group Section.

The Trustee carried out an in-depth triennial review of the suitability of the default arrangements on 4 March 2022 and remains satisfied that they are suitable for the Scheme’s membership. Three other lifestyle strategies and ten funds are available for the membership to self-select. The Trustee considers that this is a suitable default arrangement and range of self-select funds given the membership characteristics. No change to the investment strategy or investment funds in the DSV Group Section took place over the year to 31 December 2023 before the Scheme moved to the Aviva Master Trust arrangement in August 2023.

DSV GIL Section

Net investment performance over the year to 31 July 2023 of the default arrangement funds in the GIL Section lagged their respective benchmarks. However, he performance of these funds is not out of line with how comparable funds in the wider market performed over what was a volatile year. Over the 3 year and 5 year periods to 31 July 2023, these funds performed within 2.5% of their respective objectives.

Prior to the merger, on 15 December 2022, a high-level review of the suitability of the investment arrangements for the DSV GIL Section was completed, and the Trustee were satisfied that the arrangements remained suitable following the transfer. No change to the investment strategy or investment funds in the DSV GIL Section took place over the year to 31 December 2023 before the Scheme moved to the Aviva Master Trust in August 2023.</td></tr>
</table>

Administration 25%	Good	DSV Group Section The Scheme's DSV Group Section administration was carried out within the agreed service standards with 99.7% of work carried out within the SLA target over the first 6 months of the Scheme Year. Core financial transaction were processed promptly and accurately. DSV GIL Section The DSV GIL Section administration was carried out within the agreed service standards with 93% of work carried out within the SLA target over the first 6 months of the Scheme Year, The Trustee considers both Scheme administrators to have large and experienced DC administration teams with up-to-date technology/systems used to administer their arrangements.

There is no action plan in place for the next Scheme Year as the Scheme transferred out all DC benefits to the Aviva Master Trust in August 2023.

6 Administration

6.1 DSV Group Section

The Trustee have appointed Hymans Robertson to administer the DSV Group Section on its behalf. All DC benefits (including DC AVCs) were transferred to the Aviva Master Trust on 2 August 2023. The DB AVC arrangements (Prudential With-Profits and Phoenix With-Profits) remain in the DSV Group Section of the Scheme as at the date of this Statement (and are administered by Prudential and Phoenix respectively).

6.1.1 Core financial transactions

The Trustee monitored core financial transactions during the year including:

- The receipt and investment of contributions (including inward transfers of funds);
- Switches between investment options; and
- Payments of benefits (including retirements and outward transfers of funds).

6.1.2 Service levels

The Trustee has a service level agreement (SLA) in place with the Scheme's administrator which covers the accuracy and timeliness of all administrative work (including work relating to core financial transactions) such as:

- The investment of contributions;
- Switching investment options;
- Providing quotations of benefits to members who are retiring or leaving the DSV Group Section;
- Payments of benefits;
- Producing annual benefit statements; and
- Responding to ad hoc enquiries from members.

The main service standards are:

- The investment of contributions which are processed within 2 working days;
- Processing investment switches within 7 working days;
- Reviews of benefits within 10 working days;
- Processing of death cases within 5 working days;
- Provision of leaver option packs within 7 working days;
- Response to members' enquiries within 15 working days;
- Provision of retirement pack and quotation of benefits within 9 working days;
- Payment of retirement benefits being made within 10 working days;
- Provision of transfer value quotations within 15 working days; and
- Payment of transfer values within 7 working days.

The Trustee received quarterly administration reports on service standards and member activity. Details are shown below (noting that the SLAs are reported on a combined DC and DB basis):

Period	Achieved within SLA
Q1 2023	99.47%
Q2 2023	100.00%

We have not included the SLAs for Q3 and Q4 2023 as they include the point at which the DC assets of the DSV Group Section of the Scheme were moved to the Aviva Master Trust (and hence mostly refer to DB SLAs). The above shows that, over the 6-month period shown, Hymans Robertson achieved 99.7% on average, which is above their service level target of 95%.

The Trustee understands that the administrator monitors its performance against these service levels by:

- Maintaining compliance with ISO 27001 certificate;
- Maintaining accreditation with the Pensions Administration Standards Association ("PASA");
- Monitoring daily transactions;
- Monitoring daily workflow items;
- Regular internal audits of administration procedures;
- Reviewing the level, causes and resolution of complaints.

To ensure that no issues arose, the Trustee monitored core financial transactions and administration service levels during the year by:

- Checking that contributions deducted from members' earnings were paid promptly to the Scheme by the Company;
- Checking that contributions were invested promptly;
- Receiving regular quarterly reports from the administrator on the processing of financial transactions and other administration processes against the agreed service levels;
- Considering the reasons for and resolution of any breaches of service standards;
- Arranging reviews of data accuracy;
- Receiving reports from the Scheme's Auditor, who independently tests sample transactions for accuracy and timeliness; and
- Considering member feedback including any complaints.

Hymans Robertson, have confirmed to the Trustee that there are adequate internal controls to ensure that core financial transactions relating to the Scheme are processed promptly and accurately.

The Trustee is satisfied that the service standards are competitive because:

- The Trustee receives bi-annual reports monitoring investment performance of LGIM from the investment consultants Hymans Robertson;
- The Trustee reviews its performance monitoring process annually;
- The Trustee receives regular reports from the administrator which include information on performance against the agreed service levels; and

- The Trustee conducted a detailed review of the administrator in 2018, when it was found to be competitive with other administrators. A high-level review of all advisers, including the administrator, was carried out in November 2023 and no issues were found.

6.1.3 Data quality

Each year the Trustee arranges reviews and receive reports from the DSV Group Section's administrator to confirm that they have undertaken an audit of the Scheme's common data (which is the key data needed by the Scheme to calculate members' benefits such as dates of birth), to ensure that the records for all members are accurate and up to date.

The last data quality audit was undertaken in May 2024. This showed that common data was present for 99.62% for the DSV Group Section – compared to 93.57% as at 7 November 2022 (combined DC and DB basis).

6.2 DSV GIL Section

The merger of the DSV GIL Pension Plan into the Scheme was completed on 30 December 2022. At the time of the merger, Barnett Waddingham were administrators for the DSV GIL Pension Plan, and they remained as administrators to the DSV GIL Section of the Scheme post-merger. Members were not contributing to the DSV GIL Section, but their DC assets were still held in the Scheme over the year to July 2023. The transfer of these assets (excluding DC AVCs) to the Aviva Master Trust was completed on 2 August 2023.

6.2.1 Core financial transactions

The Trustee monitored the same core financial transactions during the Scheme year as that of the DSV Group Section.

6.2.2 Service levels

The Trustee had a service level agreement in place with Barnett Waddingham which covered the accuracy and timeliness of all administrative work (including work relating to core financial transactions). Details of this are provided below.

- Deaths:
  - Stage 1 within 2 working days;
  - Stage 2 to 5 within 5 working days;
- Deaths set up dependant within 5 working days;
- Deferred benefits - statement within 10 working days;
- New entrants within 5 working days;
- Short service leavers within 10 working days;
- Retirement illustrations within 10 working days;
- Retirement set ups:
  - Stage 1 within 5 working days;
  - Stage 2 within 3 working days;
  - Stage 3 to 4 within 5 working days;
- Annuity purchases within 5 working days;
- Transfer in quotation within 5 working days;
- Transfer in implementation within 5 working days;
- Auto enrolment within 5 working days;

- Transfer out calculation within 10 working days;
- Transfer out correspondence within 10 working days;
- Transfer out payment:
  - Stage 1 within 10 working days;
  - Stage 2 within 3 working days;
- DC contributions/allocations/AVCs within 5 working days;
- DC switches within 5 working days;
- Current fund values within 5 working days;
- Divorce correspondence/calculations within 10 working days;
- Member benefit enquiry within 10 working days;
- Subject Access Request:
  - Stage 1 within 5 working days;
  - Stage 2 within 15 working days;
- Individual data changes within 5 working days;
- Payroll items/pensioner's enquiries within 10 working days;
- Member online enquiry within 10 working days;
- Scheme enquiry within 5 working days;
- HMRC/NICO correspondence (including tracing service) within 10 working days;
- Cash handling within 5 working days;

Over the period 1 January 2023 – 30 June 2023, 93% of the DSV GIL Section’s cases were carried out and completed within the agreed service level agreement with Barnett Waddingham (noting that the SLAs are reported on a combined DC and DB basis). We were unable to obtain data from Barnett Waddingham for the remaining period of their appointment (i.e. 1 July – 2 August 2023).

The monitoring of the administration performance follows the same compliance and risk controls as that of the DSV Group Section, and the Trustee apply the same rigour as the DSV Group Section to prevent any issues when monitoring core financial transactions and administration services.

The Trustee understand that Barnett Waddingham have adequate internal controls to ensure that core financial transactions relating to the Scheme are processed promptly and accurately.

Over the period between 1 January 2023 to 30 June 2023, the following cases outlined were completed over the SLA target (noting that these are reported on a combined DC and DB basis):

- One case was relating to a member receiving a mailing form for MNT nomination after the deadline. The Trustee agreed to extend the response deadline.
- A potential beneficiary of a deceased member complained about the delay in confirming death benefits. The benefits were complicated due to multiple potential beneficiaries and required a Trustee referral. An acknowledgment letter was sent to the complainant and timely communication of Trustee queries were raised with the deceased's family.
- A member expressed dissatisfaction with the time taken to process his transfer out. The case was handled within the standard SLA. The member was informed about the transfer process and the subsequent steps through a detailed letter. The transfer payment was successfully completed.
- A member was dissatisfied because they could not retire from the Scheme before the blackout period and transfer benefits to the Aviva Master Trust. Upon review, it was found that paperwork had been submitted one day before the blackout period started and the member had requested to take an annuity which was not feasible given the timescales.

6.2.3 Data quality

Each year the Trustee arranges reviews and receive reports from the administrator to confirm that they have undertaken an audit of the Scheme's common data (which is the key data needed by the Scheme to calculate members' benefits such as dates of birth), to ensure that the records for all members are accurate and up to date.

The last data quality audit was undertaken in May 2024. This showed that common data was present for 97.97% of membership data for the DSV GIL Section (combined DC and DB basis).

6.3 Cyber security

The Trustee is conscious of the growing threat of cyber-attacks on pension scheme information.

The Trustee expects that the Scheme's administrator and providers will report any security breach immediately and ensure that members are notified as soon as possible.

The Trustee has a Cyber Security Policy and Cyber Incident Response Plan in place.

6.4 Overall

The Trustee is satisfied that during the year covered by this Statement:

- The administrator was operating appropriate procedures, checks and controls and operating within the agreed SLA;
- Core financial transactions were processed accurately, promptly and efficiently;
- There have been no material administration errors in relation to processing core financial transactions;
- The wider administration of the Scheme achieved the agreed service standards;
- The Scheme's common data is accurate and up to date; and
- The Scheme's cyber security arrangements are effective.

6.5 Bulk transfer of assets

The DC assets of the DSV Group Section (including DC AVCs) and the DC assets of the DSV GIL Section (excluding AVCs) transitioned to the Aviva Master Trust on 2 August 2023. The Trustee requested data on the costs associated with the transition but this was not provided in time for this Statement being finalised.

6.6 Security of assets

The situation regarding the security of where pension contributions are invested is complex. It can vary from scheme to scheme and from fund to fund within each scheme. To date there have only been a few instances where members of schemes such as ours have seen their benefits reduced as a result of a financial failure of a provider or fund manager.

The Trustee reviewed the structure of the funds used within the default arrangements and other investment options. The Trustee believes that the current structures are appropriate for members when compared to other possible structures.

The DSV Group Section's DC funds are not covered by the Financial Services Compensation Scheme ("FSCS"). The Trustee was aware of this when moving to the LGIM investment platform in 2015.

7 Trustee knowledge

The Scheme's Trustee Directors are required to maintain appropriate levels of knowledge and understanding to run the Scheme effectively. Sections 248 of the Pensions Act 2004 requires that each Trustee Director must:

- Be conversant with the Trust Deed and Rules of the Scheme, the Scheme's SIPs and any other document recording policy for the time being adopted by the Trustee relating to the administration of the Scheme generally; and
- Have, to the degree that is appropriate for the purposes of enabling the individual to properly to exercise his or her functions as Trustee Director, knowledge and understanding of the law relating to pensions and trusts and the principles relating to investment the assets of occupational pension schemes.

The Trustee has measures in place to comply with the legal and regulatory requirements regarding knowledge and understanding of relevant matters, including investment, pension and trust law. Details of how the knowledge and understanding requirements have been met during the period covered by this Statement are set out below.

7.1 Current practices

The Trustee Directors current practices to maintain and develop their level of knowledge and understanding of matters relating to the Scheme are:

- There is an induction process for newly appointed Trustee Directors, who are required to complete TPR's "Trustee Toolkit" within 6 months of becoming a Trustee Director. The "Trustee Toolkit" is TPR's online training module for trustees, where they can learn the key aspects in relation to pension schemes and their role as a trustee. (Martyn Willetts joined the Trustee board during the Scheme Year and Suzanne Dickson joined the Trustee board post year-end);
- Each Trustee Director has a working knowledge of the Scheme's Trust Deed and Rules, the Scheme's SIPs as well as the investment concepts and principles relevant to the Scheme, contract documents in relation to administration of the Scheme and the law and legislation relating to pensions and trusts. Training is provided, when necessary, to ensure that Trustee Directors maintain this knowledge;
- Each Trustee Director has a working knowledge of all documents setting out the Trustee's current policies. All Trustee Directors have access to focalPOINT, which is a secure online document storage site, where all key Scheme documents such as the Trust Deed and Rules and all meeting papers are saved;
- Trustee Directors are encouraged to undertake further study and qualifications which support their work as Trustee Directors;
- The Trustee Directors have a documented plan in place for ongoing training appropriate to their duties;
- The effectiveness of these practices and the training received are reviewed annually;
- The Trustee Directors carry out regular assessments to confirm and identify any gaps in their knowledge and skills; and
- The Trustee Directors also receive quarterly "hot topics" and "current issues" from its advisers covering technical and legislative/regulatory changes affecting DC (and AVC) schemes in general.

The Trustee is satisfied that it is up to date on current issues and members should have confidence the Trustee is aware of any issues that could impact the Scheme.

7.2 Trustee training

The Trustee, with the help of its advisers, regularly considers training requirements to identify any knowledge gaps. The Trustee's investment advisers proactively raise any changes in governance requirements and other relevant matters as they become aware of them. The Trustee's advisers typically deliver training on such matters at Trustee meetings if they are material.

All the Trustee Directors have completed TPR's Trustee Toolkit (the Trustee Toolkit is a free online learning programme from TPR aimed at trustees of occupational pension schemes and designed to help trustees meet the minimum level of knowledge and understanding required by law). A training log is maintained in line with best practice and the training programme is reviewed annually to ensure it is up to date. The Scheme has a structured induction process for new trustees. Martyn Willets became a Trustee of the Scheme in February 2023. As he was previously a Trustee of the Agility Pension Plan, his induction was tailored to this (and allowing for his Trustee knowledge).

The Trustee Directors carried out an in-depth training self-assessment in 2022, to identify gaps in their knowledge and understanding. At the time, it was identified that additional training would be required on the new requirements under TPR's General Code of Practice, once finalised. The results of the self-assessment were used to develop the training plan for 2023/2024 to ensure any identified gaps in knowledge and understanding are addressed.

During the Scheme Year, the Trustee Directors received training on the following topics:

Date	Topic	Aim/benefit	Trainer
May 2023	Valuation Training	Refresher training on key concepts relevant to the actuarial valuation as at 31 December 2022. The Trustee benefits from a greater understanding of the purpose of a valuation and overall valuation process, as well as factors that can influence the value placed on the Scheme's liabilities. Members benefit from the Trustee being able to confidently engage in discussions with the Company regarding the valuation, particularly around contributions requirements for the Scheme.	Hymans Robertson
May 2023	Effectively governing Scheme investments	Training to provide the Trustee with an update on the areas that should be considered when ensuring that Scheme investments are effectively governed. The Trustee benefits from having increased awareness of the Regulatory Requirements surrounding pension Scheme investments including an update on the requirements of the Statement of Investment Principles and the 2019 CMA order.	Hymans Robertson
May 2023	Current Issues in Pensions	Training to provide the Trustee with a detailed overview of current affairs in the pensions industry and how these may impact the Scheme. The Trustee benefits from having increased awareness of current developments and detailed time to plan how to address any potential issues for the Scheme. Members will have confidence that the Trustee are keeping up to date on pressing matters and the Scheme is adapting to prevalent issues and regulation changes.	Hymans Robertson
June 2023	DB Investment strategy training	Refresher training on the key steps required in an investment strategy review.	Hymans Robertson

		The Trustee benefits from a better understanding of the different elements of setting up an appropriate investment strategy in order to meet the long-term objectives of the Scheme.	
September 2023	Consolidated Deed, Benefit structure of the two Sections and DC Wind-up	Training on the Definitive Deed and Rules. The Trustee benefits from having a greater understanding of the consolidated Deed and how the documents for the different Sections of the Pension Scheme sit together. The Trustee also benefits from a better understanding of the impact of the movement of DC benefits to the Aviva Master Trust has on the Deed.	Squires

7.3 Governing documentation

All the Trustee Directors have access to copies of and are familiar with the current governing documentation for the Scheme, including the Trust Deed & Rules (together with any amendments) and SIPs. The Trustee refers to the Trust Deed and Rules as part of deciding to make any changes to the Scheme, and the SIPs are formally reviewed at least every three years and as part of making any change to the Scheme’s investments.

The Trustee Directors test their familiarity with the Scheme’s documentation, pensions Law/Regulations and TPR’s DC Code of Practice 13 and supporting guides by ensuring any new documentation or regulation is noted at one of the Trustee’s regular Board meetings. The Trustee is aware of TPR’s General Code of Practice which came into force in March 2024 (outside the period covered by this Statement). Having completed a gap analysis of the Scheme’s policies and practices in March 2022, the Trustee has been working to ensure all required policies are in place ahead of the General Code coming into force.

7.4 Skills, experience and diversity

The Trustee regularly considers the diversity of the board in relation to core characteristics such as gender, age and ethnicity and to the mix of skills, experience and cognitive diversity. When vacancies on the board arise, the Trustee will consider, where possible, how to recruit new trustees who enhance the diversity of the board and its overall effectiveness.

The Trustee carried out a high-level evaluation of the performance and effectiveness of the Trustee Board in June 2023. Each Trustee Director completed a questionnaire on their views on several areas relating to Trustee effectiveness, the results of which were discussed at the June Trustee meeting. As a result, it was agreed that the Trustee would receive training on the benefits of the two Sections of the Scheme as well as training on the consolidated Deed.

7.5 Trustee advisers

The Trustee has appointed suitably qualified and experienced actuaries, legal advisers, investment consultants and benefit consultants to provide advice on the operation of the Scheme in accordance with its Trust Deed and Rules, legislation and regulatory guidance.

The Trustee reviews the effectiveness of its advisers annually and periodically reviews the appointment of its advisers.

7.6 Reviews

The Trustee undertook the following reviews during the Scheme year:

Date	Review of
June 2023	Trustee effectiveness review, including themes such as: • Whether there are sufficient opportunities for the Trustee Directors to develop their knowledge; and • Effective communication with Scheme members. This assessed the overall effectiveness of the Trustee Board.
November 2023	The Trustee's annual training plan, the practices to maintain and develop Trustee knowledge and understanding and the effectiveness of the training programme and training for the coming year. The plan considered the results of the self-assessment the Trustee Directors completed in 2022, which identified gaps in their knowledge and skills.
November 2023	The effectiveness of all the Scheme advisers.

7.7 Overall

The Trustee Directors are satisfied that during the Scheme Year they have:

a) Taken effective steps to maintain and develop their knowledge and understanding; and
b) Ensured they received suitable advice.

The Trustee Directors are satisfied that the combination of their knowledge and understanding together with access to suitable advice (both in writing and whilst attending meetings) enabled them to properly and effectively exercise their duties the Scheme Year.

8 Our key actions during the Scheme Year

During the Scheme Year the Trustee:

- Completed a review of the risk register;
- Transferred members' past DC pots into a Master Trust arrangement;
- Reviewed the investment strategies for both Sections of the Scheme;
- Completed a review of their responsible investment beliefs;
- Conducted a review of ESG policies;
- Conducted a review of the Scheme’s communication strategy;
- Undertook an in-depth Trustee Effectiveness Review; and
- Carried out a review of the AVC arrangement for the DSV GIL Section.

The Scheme moved to the Aviva Master Trust on 2 August 2023.

9 Missing information

The Trustee has been unable to obtain full information on:

- Transaction costs for the following investment options:
  - Standard Life Funds held within the DSV GIL Section
  - Royal London With-Profits
  - Prudential With-Profits
- Charges for the following investment options:
  - Prudential With-Profits
- Investment performance figures for the following investment options:
  - Five-year performance to the end of the Scheme Year for all funds in the DSV Group Section
  - Aon Managed Retirement Pathway to Cash
  - Prudential With-Profits
  - Three and five-year figures for the Royal London With-Profits fund
  - Phoenix With-Profits
- Administrative reports for the DSV GIL Section in July and August of 2023;
- Transition costs associated to the transfer of DC benefits to the Aviva Master Trust over the Scheme Year.

This means that some information is missing for the period covered by this Statement. As noted elsewhere in this Chair's Statement, the DC benefits of both the DSV Group Section and DSV GIL Section were transferred to the Aviva Master Trust in August 2023, therefore we have only assessed the fund performances of both Sections up until 30 June 2023 and 31 July 2023 for the DSV Group Section and DSV GIL Section respectively.

The Trustee has requested the information from the providers and has chased the outstanding responses. However the Trustee acknowledges that the Scheme has since moved to a Master Trust arrangement and hence it is unlikely that this information will be provided.

Exhibit 1: Table of funds and charges

DSV Group Section

1a Default arrangements

The funds' charges (as "Total Expense Ratios") and transaction costs in the Scheme year used in the DSV Group Section's default arrangements were as shown below:

Balanced Drawdown Lifestyle Strategy:

Fund	Charges **		Underlying Fund	Transaction costs	
	% p.a. of the amount invested	£ p.a. per £1,000 invested		% p.a. of the amount invested	£ p.a. per £1,000 invested
DSV Global Equity Fund	0.191	1.91	50% LGIM Global Equity 50:50 Index 50% Schroder Sustainable Multi-Factor Equity Fund	0.158	1.58
DSV Diversified Fund (Schroders)	0.302	3.02	Schroder Dynamic Multi-Asset Fund	0.213	2.13
DSV Retirement Income Fund	0.245	2.45	60% LGIM Retirement Income Multi-Asset Fund 40% LGIM Investment Grade Corporate Bond All Stocks Index Fund	0.053	0.53
DSV Cash Fund	0.105	1.05	LGIM Cash Fund	0.069	0.69

Source: LGIM

Full Cash Lifestyle Strategy:

Fund	Charges **		Underlying Fund	Transaction costs	
	% p.a. of the amount invested	£ p.a. per £1,000 invested		% p.a. of the amount invested	£ p.a. per £1,000 invested
DSV Global Equity Fund	0.191	1.91	50% LGIM Global Equity 50:50 Index 50% Schroder Sustainable Multi-Factor Equity Fund	0.158	1.58
DSV Diversified Fund (Schroders)	0.302	3.02	Schroder Dynamic Multi-Asset Fund	0.213	2.13
DSV Cash Fund	0.105	1.05	LGIM Cash Fund	0.069	0.69

Source: LGIM

1b Lifestyle options outside the default arrangements

The funds' charges (as "Total Expense Ratios") and transaction costs in the Scheme Year used in the Annuity Lifestyle Strategy were:

Fund	Charges **		Underlying Fund	Transaction costs	
	% p.a. of the amount invested	£ p.a. per £1,000 invested		% p.a. of the amount invested	£ p.a. per £1,000 invested
DSV Global Equity Fund	0.191	1.91	50% LGIM Global Equity 50:50 Index 50% Schroder Sustainable Multi-Factor Equity Fund	0.158	1.58
DSV Diversified Fund (Schroders)	0.302	3.02	Schroder Dynamic Multi-Asset Fund	0.213	2.13
DSV Annuity Fund	0.126	1.26	LGIM Pre-Retirement Fund	-0.024	-0.24
DSV Cash Fund	0.105	1.05	LGIM Cash Fund	0.069	0.69

Source: LGIM

The funds' charges (as "Total Expense Ratios") and transaction costs in the Scheme Year used in the Full Drawdown Lifestyle Strategy were:

Fund	Charges **		Underlying Fund	Transaction costs	
	% p.a. of the amount invested	£ p.a. per £1,000 invested		% p.a. of the amount invested	£ p.a. per £1,000 invested
DSV Global Equity Fund	0.191	1.91	50% LGIM Global Equity 50:50 Index 50% Schroder Sustainable Multi-Factor Equity Fund	0.158	1.58
DSV Diversified Fund (Schroders)	0.302	3.02	Schroder Dynamic Multi-Asset Fund	0.213	2.13
DSV Retirement Income Fund	0.246	2.46	60% LGIM Retirement Income Multi-Asset Fund 40% LGIM Investment Grade Corporate Bond All Stocks Index Fund	0.053	0.53

Source: LGIM

The funds' charges (as "Total Expense Ratios") and transaction costs in the Scheme Year used in the Extra Cash Lifestyle Strategy were:

Fund	Charges **		Underlying Fund	Transaction costs	
	% p.a. of the amount invested	£ p.a. per £1,000 invested		% p.a. of the amount invested	£ p.a. per £1,000 invested
DSV Global Equity Fund	0.191	1.91	50% LGIM Global Equity 50:50 Index 50% Schroder Sustainable Multi-Factor Equity Fund	0.158	1.58
DSV Diversified Fund (Schroders)	0.302	3.02	Schroder Dynamic Multi-Asset Fund	0.213	2.13
DSV Retirement Income Fund	0.245	2.45	60% LGIM Retirement Income Multi-Asset Fund 40% LGIM Investment Grade Corporate Bond All Stocks Index Fund	0.053	0.53
DSV Cash Fund	0.105	1.05	LGIM Cash Fund	0.069	0.69

Source: LGIM

1c Self-select funds outside the default arrangements

The funds' charges (as "Total Expense Ratios") and transaction costs in the Scheme Year for the self-select funds were:

Fund	Charges **		Underlying Fund	Transaction costs	
	% p.a. of the amount invested	£ p.a. per £1,000 invested		% p.a. of the amount invested	£ p.a. per £1,000 invested
DSV UK Equity Fund	0.152	1.52	LGIM UK Equity Fund	-0.004	-0.04
DSV World (excluding UK) Fund	0.201	2.01	LGIM World (ex UK) Equity Fund	0.019	0.19
DSV Global Equity Fund	0.191	1.91	50% LGIM Global Equity 50:50 Index 50% Schroder Sustainable Multi-Factor Equity Fund	0.158	1.58
DSV Emerging Markets Equity Fund	0.403	4.03	LGIM Emerging Markets Equity Fund	0.098	0.98
DSV Diversified Fund (Schroders)	0.302	3.02	Schroder Dynamic Multi-Asset Fund	0.213	2.13
DSV Retirement Income Fund	0.245	2.45	60% LGIM Retirement Income Multi-Asset Fund 40% LGIM Investment Grade Corporate Bond All Stocks Index Fund	0.053	0.53
DSV Annuity Fund	0.126	1.26	LGIM Pre-Retirement Fund	-0.024	-0.24
DSV Gilts Fund	0.087	0.87	LGIM Over 15 Year Gilts Fund	0.034	0.34
DSV Index-Linked Gilts Fund	0.085	0.85	LGIM 5 Year Index-Linked Gilts Fund	0.139	1.39
DSV Cash Fund	0.104	1.04	LGIM Cash Fund	0.069	0.69
Multi Asset (formerly Consensus) Fund▪	0.267	2.67		0.047	0.47
Over 15 Year Gilts Index Fund▪	0.104	1.04		0.038	0.38
Cash Fund▪	0.125	1.25		0.081	0.81

▪These funds were previously available to members of the Uti Scheme. During 2018, members who were previously members of the Uti Scheme were transitioned onto the Trustee's chosen investment platform with LGIM and into the Scheme's lifestyle funds and self-select funds. However, for members of the Uti Scheme who were close to their SRA or who had previously self-selected one of the three funds, the funds were transitioned to the LGIM platform, but no changes were made to their investments. These three funds are not available for other members to contribute.

Source: LGIM

1d Additional Voluntary Contributions

The funds' charges (as "Total Expense Ratios") and transaction costs in the Scheme Year for the AVC funds were:

Fund	Charges		Underlying Fund	Transaction costs	
	% p.a. of the amount invested	£ p.a. per £1,000 invested		% p.a. of the amount invested	£ p.a. per £1,000 invested
DSV UK Equity Fund	0.152	1.52	LGIM UK Equity Fund	-0.004	-0.04
DSV World (excluding UK) Fund	0.201	2.01	LGIM World (ex UK) Equity Fund	0.019	0.19
DSV Global Equity Fund	0.191	1.91	50% LGIM Global Equity 50:50 Index 50% Schroder Sustainable Multi-Factor Equity Fund	0.158	1.58
DSV Emerging Markets Equity Fund	0.403	4.03	LGIM Emerging Markets Equity Fund	0.098	0.98
DSV Diversified Fund (Schroders)	0.302	3.02	Schroder Dynamic Multi-Asset Fund	0.213	2.13
DSV Retirement Income Fund	0.245	2.45	60% LGIM Retirement Income Multi-Asset Fund 40% LGIM Investment Grade Corporate Bond All Stocks Index Fund	0.053	0.53
DSV Annuity Fund	0.126	1.26	LGIM Pre-Retirement Fund	-0.024	-0.24
DSV Gilts Fund	0.087	0.87	LGIM Over 15 Year Gilts Fund	0.034	0.34
DSV Index-Linked Gilts Fund	0.085	0.85	LGIM 5 Year Index-Linked Gilts Fund	0.139	1.39
DSV Cash Fund	0.104	1.04	LGIM Cash Fund	0.069	0.69
Multi Asset (formerly Consensus) Fund	0.267	2.67		0.047	0.47
Over 15 Year Gilts Index Fund	0.104	1.04		0.038	0.38
Cash Fund	0.125	1.25		0.081	0.81
Prudential With-Profits Fund	Not Available	Not Available		0.170	1.70
Phoenix With-Profits Fund	0.500	5.00		Not Available	Not Available

DSV GIL Section

1e Default arrangements

The funds’ charges (as “Total Expense Ratios”) and transaction costs in the Scheme year used in the DSV GIL Section’s default arrangements were as shown below:

Aon Managed Retirement Pathway Funds:

<table>
<tr><th rowspan="2">Fund</th><th rowspan="2">ISIN *</th><th colspan="2">Charges **[1]</th><th rowspan="2">Underlying Funds</th><th colspan="2">Transaction costs</th></tr>
<tr><th>% p.a. of the amount invested</th><th>£ p.a. per £1,000 invested</th><th>% p.a. of the amount invested</th><th>£ p.a. per £1,000 invested</th></tr>
<tr><td>Aon Managed Retirement Pathway Perpetual Fund</td><td>GB00BWFY7980</td><td>0.335</td><td>3.35</td><td rowspan="8">Aon Managed Global Impact Fund
Aon Managed Initial Growth Phase Fund
Aon Managed Diversified Asset Fund
Aon Managed Diversified Multi Strategy Bond Fund
Aon Managed Passive Corporate Bond Fund
Aon Managed Up to 5 Year UK Gilt Index Fund
Aon Managed Short Term Inflation Linked Fund</td><td>0.109</td><td>1.09</td></tr>
<tr><td>Aon Managed Retirement Pathway 2013-2015 Fund</td><td>GB00BWFY6P70</td><td>0.335</td><td>3.35</td><td>0.109</td><td>1.09</td></tr>
<tr><td>Aon Managed Retirement Pathway 2016-2018 Fund</td><td>GB00BWFY6Q87</td><td>0.335</td><td>3.35</td><td>0.109</td><td>1.09</td></tr>
<tr><td>Aon Managed Retirement Pathway 2019-2021 Fund</td><td>GB00BWFY6R94</td><td>0.335</td><td>3.35</td><td>0.109</td><td>1.09</td></tr>
<tr><td>Aon Managed Retirement Pathway 2022-2024 Fund</td><td>GB00BWFY6S02</td><td>0.335</td><td>3.35</td><td>0.109</td><td>1.09</td></tr>
<tr><td>Aon Managed Retirement Pathway 2025-2027 Fund</td><td>GB00BWFY6T19</td><td>0.335</td><td>3.35</td><td>0.101</td><td>1.01</td></tr>
<tr><td>Aon Managed Retirement Pathway 2028-2030 Fund</td><td>GB00BWFY6V31</td><td>0.335</td><td>3.35</td><td>0.094</td><td>0.94</td></tr>
<tr><td>Aon Managed Retirement Pathway 2031-2033 Fund</td><td>GB00BWFY6W48</td><td>0.335</td><td>3.35</td><td>0.085</td><td>0.85</td></tr>
</table>

Aon Managed Retirement Pathway 2034-2036 Fund	GB00BWFY6X54	0.335	3.35		0.063	0.63
Aon Managed Retirement Pathway 2037-2039 Fund	GB00BWFY6Y61	0.335	3.35		0.039	0.39
Aon Managed Retirement Pathway 2040-2042 Fund	GB00BWFY6Z78	0.335	3.35		0.039	0.39
Aon Managed Retirement Pathway 2043-2045 Fund	GB00BWFY7097	0.335	3.35		0.039	0.039
Aon Managed Retirement Pathway 2046-2048 to 2064-2066 Funds	GB00BWFY7105 GB00BWFY7212 GB00BWFY7329 GB00BWFY7436 GB00BWFY7543 GB00BWFY7659 GB00BWFY7766	0.335	3.35		0.039	0.039
Aon Managed Retirement Pathway 2067-2069 Fund	GB00BWFY7873	0.335	3.35		0.039	0.039
Aon Managed Retirement Pathway 2070-2072 Fund	GB00BJDCM879	0.335	3.35		0.039	0.039

Source: Aon

Aon Managed Retirement Pathway to Annuity Funds:

Fund	ISIN *	Charges **[1]		Underlying Fund	Transaction costs	
		% p.a. of the amount invested	£ p.a. per £1,000 invested		% p.a. of the amount invested	£ p.a. per £1,000 invested
Aon Managed Retirement Pathway to Annuity Perpetual Fund	GB00BWFY6917	0.330	3.30	Aon Managed Global Impact Fund Aon Managed Initial Growth Phase Fund Aon Managed Diversified Asset Fund Aon Managed Diversified Multi Strategy Bond Fund Aon Managed Passive Corporate Bond Fund Aon Managed Up to 5 Year UK Gilt Index Fund Aon Managed Short Term Inflation Linked Fund Aon Managed Pre-Retirement Bond Fund Aon Managed Liquidity Fund	0.004	0.04
Aon Managed Retirement Pathway to Annuity 2019-2021 Fund	GB00BWFY6B35	0.330	3.30		0.004	0.04
Aon Managed Retirement Pathway to Annuity 2022-2024 Fund	GB00BWFY6C42	0.330	3.30		0.004	0.04
Aon Managed Retirement Pathway to Annuity 2025-2027 Fund	GB00BJDCM101	0.330	3.30		0.055	0.55
Aon Managed Retirement Pathway to Annuity 2028-20230 Fund		0.330	3.30		0.094	0.94

Source: Aon

1f Target date options outside the default arrangements

The funds' charges (as "Total Expense Ratios") and transaction costs in the Scheme Year used in the target date options outside of the default were:

Aon Managed Retirement Pathway to Cash Funds:

Fund	ISIN*	Charges **[1]		Underlying Fund	Transaction costs	
		% p.a. of the amount invested	£ p.a. per £1,000 invested		% p.a. of the amount invested	£ p.a. per £1,000 invested
Aon Managed Retirements Pathway to Cash 2019-2021 Fund	GB00BWFY6J11	0.340	3.40	Aon Managed Global Impact Fund Aon Managed Initial Growth Phase Fund Aon Managed Diversified Asset Fund Aon Managed Diversified Multi Strategy Bond Fund Aon Managed Passive Corporate Bond Fund Aon Managed Up to 5 Year UK Gilt Index Fund Aon Managed Short Term Inflation Linked Fund Aon Managed Liquidity Fund	0.015	0.15
Aon Managed Retirements Pathway to Cash 2022-2024 Fund	GB00BWFY6K26	0.340	3.40		0.015	0.15
Aon Managed Retirements Pathway to Cash 2025-2027 Fund	GB00BJ34HX31	0.340	3.40		0.058	0.58
Aon Managed Retirements Pathway to Cash 2028-2030 Fund		0.034	3.40		0.094	0.94

Source: Aon

1g Self-select arrangements

The funds' charges (as "Total Expense Ratios") and transaction costs in the Scheme Year used in the self-select funds were:

Fund	ISIN*	Charges **[1]		Underlying Funds	Transaction costs	
		% p.a. of the amount invested	£ p.a. per £1,000 invested		% p.a. of the amount invested	£ p.a. per £1,000 invested
Aon Managed Initial Growth Phase Fund	GB00BRJMCN23	0.270	2.70	UBS Global Equity Climate Transition (BLK) L&G Global Developed Four Factor Scientific Beta Index Fund BlackRock Emerging Markets Equity Index Fund LGIM Infrastructure Index Fund BlackRock Global Property Securities Index (BLK) Fund Threadneedle Pensions Property (BLK) Fund	0.035	0.35
Aon Managed Diversified Asset Fund	GB00BRJMCS77	0.320	3.20	L&G Global Developed Four Factor Scientific Beta Index Fund (Hedged) L&G Global Developed Four Factor Scientific Beta Index Fund BlackRock Emerging Markets Equity Index Fund Invesco Gold Unhedged T. Rowe Price Dynamic Global Bond Fund BlackRock DC Absolute Return Bond Fund Aegon European ABS Fund Janus Henderson ABS Fund BlackRock Systematic Multi Allocation Credit BlackRock All Stocks UK Gilt Index (BLK) Fund BlackRock Cash (BLK)	0.168	1.68

Aon Managed Bond Phase Fund	GB00BRJMCX21	0.320	3.20	T. Rowe Price Dynamic Global Bond Fund BlackRock DC Absolute Return Bond Fund Aegon European ABS Fund Janus Henderson ABS Fund BlackRock Systematic Multi Allocation Credit BlackRock Cash (BLK) BlackRock Corporate Bond All Stocks Index Fund	0.280	2.80
Aon Managed Long Term Inflation Linked Fund	GB00BRJMCB01	0.210	2.10	BlackRock Over 5 Years Index-Linked Gilt Index (BLK)	0.149	1.49
Aon Managed Pre-Retirement Bond Fund	GB00BRJMCG55	0.320	3.20	LGIM Pre-Retirement (BLK)	0.000	0.00
Aon Managed Liquidity Fund	GB00BRJMCD25	0.230	2.30	BlackRock Cash (BLK)	0.015	0.15
Aon Managed Property and Infrastructure Fund	GB00BRJMC093	0.49	4.90	LGIM Infrastructure Index Fund BlackRock Global Property Securities Index (BLK) Fund Threadneedle Pensions Property (BLK) Fund	0.219	2.19
Aegon HSBC Islamic Global Equity Index Fund	GB00BFRNJW10	0.350	3.50	HSBC Islamic Global Equity Index Fund	0.015	0.15

Source: Aon

1h Additional Voluntary Contributions

The AVC funds used by members in the DSV GIL Section are listed in the table below. Standard Life and Royal London have not been able to provide the charges and transaction cost information for these funds for the reporting period as at time of writing. The Trustee will continue to request this information.

Fund	Charges **		Underlying Fund	ISIN *	Transaction costs	
	% p.a. of the amount invested	£ p.a. per £1,000 invested			% p.a. of the amount invested	£ p.a. per £1,000 invested
Royal London Crest Secure Fund	1.450	14.50	Not available	Not available	Not available	Not available
Standard Life Managed Pension Fund	Not available	Not available	Not available	Not available	Not available	Not available
Standard Life Stock Exchange Pension Fund	1.020	10.20	Not available	Not available	Not available	Not available
Standard Life UK Equity Pension Fund	1.030	10.30	Not available	Not available	Not available	Not available
Standard Life Millennium With-Profits Fund	1.010	10.10	Not available	Not available	Not available	Not available
Standard Life Pension With-Profits Fund	Not available	Not available	Not available	Not available	Not available	Not available
Standard Life European Equity Pension Fund	Not available	Not available	Not available	Not available	Not available	Not available
Standard Life International Equity Pension Fund	1.010	10.10	Not available	Not available	Not available	Not available
Standard Life Lifestyle Strategy – 3 Balanced Universal	1.020	10.20	Not available	Not available	Not available	Not available
Standard Life Lifestyle Strategy – 2 Balanced Universal	Not available	Not available	Not available	Not available	Not available	Not available
Standard Life Lifestyle Strategy – 2 Cautious Universal	Not available	Not available	Not available	Not available	Not available	Not available

* ISIN = the International Securities Identification Number unique to each fund.

** Charge = the funds' Total Expense Ratio ("TER"), which includes the funds' Annual Management Charge ("AMC") and Operating Costs and Expenses ("OCE") (also known as additional expenses).

*** Underlying Fund = the fund in which the Scheme's top-level fund invests.

The Trustee has been unable to obtain the International Securities Identification Numbers (ISINs) for all funds and has also been unable to obtain full charges and transaction cost information for all funds over the reporting period. The Trustee will continue to request this information.

Exhibit 2: Investment performance

DSV Group Section

2a Default arrangements

Balanced Drawdown Lifestyle Strategy

The investment performance of the funds used in the Balanced Drawdown Lifestyle Strategy during periods up to 30 June 2023, net of all costs and charges, expressed as an annualised arithmetic percentage difference between the net asset value at the end of the period compared start of the period were:

Fund	1 year (% p.a.)	3 years (% p.a.)
DSV Global Equity Fund	11.2	10.4
DSV Diversified Fund (Schroders)	0.1	2.4
DSV Cash Fund	2.9	1.0
DSV Retirement Income Fund	-1.1	-1.2

Source: LGIM

Full Cash Lifestyle Strategy

The investment performance of the funds used in the Full Cash Lifestyle Strategy during periods up to 30 June 2023, net of all costs and charges, expressed as an annualised arithmetic percentage difference between the net asset value at the end of the period compared start of the period were:

Fund	1 year (% p.a.)	3 years (% p.a.)
DSV Global Equity Fund	11.2	10.4
DSV Diversified Fund (Schroders)	0.1	2.4
DSV Cash Fund	2.9	1.0

Source: LGIM

Over the past five years changes may have been implemented to the underlying asset allocation of the funds, in particular the DSV Retirement Income Fund and the DSV Global Equity Fund. Therefore, the investment performance of the funds over the 3 year the 30 June 2023 may not be reflective of the current underlying asset allocation.

2b Alternative lifestyle strategies

Annuity Lifestyle Strategy

The investment performance of the funds used in the Annuity Lifestyle Strategy during periods up to 30 June 2023, net of all costs and charges, expressed as an annualised arithmetic percentage difference between the net asset value at the end of the period compared start of the period were:

Fund	1 year (% p.a.)	3 years (% p.a.)
DSV Global Equity Fund	11.2	10.4
DSV Diversified Fund (Schroders)	0.1	2.4
DSV Cash Fund	2.9	1.0
DSV Annuity Fund	-13.8	-12.5

Source: LGIM

Full Drawdown Lifestyle Strategy

The investment performance of the funds used in the Full Drawdown Lifestyle Strategy during periods up to 30 June 2023, net of all costs and charges, expressed as an annualised arithmetic percentage difference between the net asset value at the end of the period compared start of the period were:

Fund	1 year (% p.a.)	3 years (% p.a.)
DSV Global Equity Fund	11.2	10.4
DSV Diversified Fund (Schroders)	0.1	2.4
DSV Retirement Income Fund	-1.1	-1.2

Source: LGIM

Extra Cash Lifestyle Strategy

The investment performance of the funds used in the Extra Cash Lifestyle Strategy during periods up to 30 June 2023, net of all costs and charges, expressed as an annualised arithmetic percentage difference between the net asset value at the end of the period compared start of the period were:

Fund	1 year (% p.a.)	3 years (% p.a.)
DSV Global Equity Fund	11.2	10.4
DSV Diversified Fund (Schroders)	0.1	2.4
DSV Cash Fund	2.9	1.0
DSV Retirement Income Fund	-1.1	-1.2

Source: LGIM

Over the past five years changes may have been implemented to the underlying asset allocation of the funds, in particular the DSV Retirement Income Fund and the DSV Global Equity Fund. Therefore, the investment performance of the funds over the 3 year period to the 30 June 2023 may not be reflective of the current underlying asset allocation.

2c Self-select funds outside of the default arrangements

The investment performance of the funds available in the self-select range during periods up to 30 June 2023, net of all costs and charges, expressed as an annualised arithmetic percentage difference between the net asset value at the end of the period compared start of the period were:

Fund	1 year (% p.a.)	3 years (% p.a.)
DSV UK Equity Fund	7.7	9.9
DSV World (excluding UK) Fund	11.9	11.1
DSV Global Equity Fund	11.2	10.4
DSV Emerging Markets Equity Fund	-4.0	1.7
DSV Diversified Fund (Schroders)	0.1	2.4
DSV Retirement Income Fund	-1.1	-1.2
DSV Annuity Fund	-13.8	-12.5
DSV Gilts Fund	-24.3	-20.3
DSV Index-Linked Gilts Fund	-17.1	-15.3
DSV Cash Fund	2.9	1.0
Multi Asset (formerly Consensus) Fund▪	2.3	2.1
Over 15 Year Gilts Index Fund▪	-25.0	-19.9
Cash Fund▪	3.0	1.0

▪These funds were previously available to members of the UTi Scheme. During 2018, members who were previously members of the UTi Scheme were transitioned onto the Trustee's chosen investment platform with LGIM and into the Scheme's lifestyle funds and self-select funds. However, for members of the UTi Scheme who were close to their SRA or who had previously self-selected one of the three funds, the funds were transitioned to the LGIM platform, but no changes were made to their investments. These three funds are not available for other members to contribute to.

Source: LGIM

Over the past five years changes may have been implemented to the underlying asset allocation of the funds, in particular the DSV Retirement Income Fund and the DSV Global Equity Fund. Therefore, the investment performance of the funds over the 3 year period to the 30 June 2023 may not be reflective of the current underlying asset allocation.

2d Additional Voluntary Contributions (AVC)

The investment performance for the AVC funds during periods up to 30 June 2023, net of all costs and charges, expressed as an arithmetic percentage difference between the net asset value at the end of the period compared start of the period were:

Fund	1 year (% p.a.)	3 years (% p.a.)
DSV UK Equity Fund	7.7	9.9
DSV World (excluding UK) Fund	11.9	11.1
DSV Global Equity Fund	-6.9	10.4
DSV Emerging Markets Equity Fund	-4.0	1.7
DSV Diversified Fund (Schroders)	0.1	2.4
DSV Retirement Income Fund	-1.1	-1.2
DSV Annuity Fund	-13.8	-12.5
DSV Gilts Fund	-24.3	-20.3
DSV Index-Linked Gilts Fund	-17.1	-15.3
DSV Cash Fund	2.9	1.0
Multi Asset (formerly Consensus) Fund▪	2.3	2.1
Over 15 Year Gilts Index Fund▪	-25.0	-19.9
Cash Fund▪	3.0	1.0

▪These funds were previously available to members of the UTi Scheme. During 2018, members who were previously members of the UTi Scheme were transitioned onto the Trustee's chosen investment platform with LGIM and into the Scheme's lifestyle funds and self-select funds. However, for members of the UTi Scheme who were close to their SRA or who had previously self-selected one of the three funds, the funds were transitioned to the LGIM platform, but no changes were made to their investments. These three funds are not available for other members to contribute to.

Source: LGIM and Prudential

The Scheme also held legacy AVCs (closed to new contributions) with Prudential and Phoenix during 2023. Further information on the investment performance of these funds is provided below.

Prudential and Phoenix

The 1 year and 5 year investment performance figures for the Prudential and Phoenix With-Profits Funds were not available.

Fund	1 year (% p.a.)	5 years (% p.a.)
Prudential With-Profits Fund	Not available	Not available
Phoenix With-Profits Fund	Not available	Not available

Source: Prudential and Phoenix Life

DSV GIL Section

2e Default arrangements

Aon Managed Retirement Pathway Funds

The investment performance of the funds used in the Aon Managed Retirement Pathway Funds during the year to 31 July 2023, net of costs and charges, expressed as a percentage were:

Fund	1 year (% p.a.)	3 year (% p.a.)	5 year (% p.a.)
Aon Managed Retirement Pathway 2022-2024	0.0	2.4	2.9
Aon Managed Retirement Pathway 2025-2027	0.3	3.1	3.3
Aon Managed Retirement Pathway 2028-2030	0.7	4.0	3.6
Aon Managed Retirement Pathway 2031-2033	1.1	5.5	4.3
Aon Managed Retirement Pathway 2034-2036	1.8	7.8	5.3
Aon Managed Retirement Pathway 2037-2039	2.7	8.7	5.9
Aon Managed Retirement Pathway 2040-2042	2.7	8.7	5.9
Aon Managed Retirement Pathway 2043-2045	2.7	8.7	5.9
Aon Managed Retirement Pathway 2046-2048	2.7	8.7	5.9
Aon Managed Retirement Pathway 2049-2051	2.7	8.7	5.9
Aon Managed Retirement Pathway 2052-2054	2.7	8.7	5.9
Aon Managed Retirement Pathway 2055-2057	2.7	8.7	5.9
Aon Managed Retirement Pathway 2058-2060	2.7	8.7	5.9
Aon Managed Retirement Pathway 2061-2063	2.7	8.7	5.9

Source: Aegon, Aon. Returns are shown net of charges. Inception date for majority of funds is 31 May 2015. Funds in which performance data was not received were not included. However, the funds listed above are all the funds invested for members ages 25 to 65.

Aon Managed Retirement Pathway to Annuity Funds

The investment performance of the funds used in the Aon Managed Retirement Pathway to Annuity Funds during the year to 31 July 2023, net of costs and charges, expressed as a percentage were:

Fund	1 year (% p.a.)	3 year (% p.a.)	5 year (% p.a.)
Aon Managed Retirement Pathway to Annuity Perpetual Fund	-11.6	-9.1	-2.7
Aon Managed Retirement Pathway to Annuity 2019-2021 Fund	-11.5	-9.1	-2.9
Aon Managed Retirement Pathway to Annuity 2022-2024 Fund	-10.1	-5.4	-1.5
Aon Managed Retirement Pathway to Annuity 2025-2027* Fund	-2.9	1.6	N/A

Source: Aegon, Aon. Returns are shown net of charges. Inception date for majority of funds is 31 May 2015, except funds marked with * which launched 29 June 2019 (fund performance may be tracked at a later date from the fund launch date)..

2f Alternative target date options

Aon Managed Retirements Pathway to Cash Funds

The investment performance of the funds used in the Aon Managed Retirements Pathway to Cash Funds during the year to 31 July 2023, net of costs and charges, expressed as a percentage were:

Fund	1 year (% p.a.)	3 year (% p.a.)	5 year (% p.a.)
Aon Managed Retirements Pathway to Cash 2019-2021 Fund	N/A	N/A	N/A
Aon Managed Retirements Pathway to Cash 2022-2024 Fund	N/A	N/A	N/A
Aon Managed Retirements Pathway to Cash 2025-2027* Fund	N/A	N/A	N/A

Source: Aegon, Aon. Returns are shown net of charges. Inception date for majority of funds is 31 May 2015, except funds marked with * which launched 29 June 2019 and funds marked ** which launched 30 June 2022 (fund performance may be tracked at a later date from the fund launch date)..

2g Self-select funds

The investment performance of the self-select funds used during the year to 31 July 2023, net of costs and charges, expressed as a percentage were:

Fund	1 year (% p.a.)	3 year (% p.a.)	5 year (% p.a.)
Aon Managed Initial Growth Phase Fund	2.6	9.0	6.1
Aon Managed Diversified Asset Fund	1.4	1.6	2.3
Aon Managed Bond Phase Fund	-2.6	-2.6	0.1
Aon Managed Long Term Inflation Linked Fund	-23.2	-15.6	-6.0
Aon Managed Pre-Retirement Bond Fund	-16.4	-12.4	-4.0
Aon Managed Liquidity Fund	3.2	1.1	0.8
Aon Managed Property and Infrastructure Fund	N/A	N/A	N/A
HSBC Islamic Global Equity Index Fund	N/A	N/A	N/A

Source: Aegon, Aon. Returns are shown net of charges.

2h Additional Voluntary Contributions

The following funds are the Standard Life and Royal London Funds, which are the two AVC providers under the DSV GIL Section DC Scheme (the other AVC providers are part of the DSV DB Scheme). We have only the Unit-Link Fund performances to 30 September 2023.

Fund	1 year (% p.a.)	3 year (% p.a.)	5 year (% p.a.)
Royal London Crest Secure Fund*	1.1	N/A	N/A
SL Managed Fund	2.1	2.9	2.4
SL International Equity Fund	8.2	7.4	6.4
SL Multi Asset Managed (20-60% Shares) Fund	1.5	-0.2	0.4
SL European Equity Fund	14.4	5.7	5.3
SL Stock Exchange Fund	8.2	6.9	4.3
Pension Millenium With Profits Fund*	N/A	N/A	N/A
Standard Life UK Equity Fund	10.4	10.8	1.3
Standard Life At Retirement (Multi Asset) Fund	5.1	0.6	0.9
Pension With Profits Fund*	N/A	N/A	N/A
SL Money Market Pension Fund	3.3	0.6	0.3

Source: Standard Life. Returns are shown net of charges. Funds marked with * are With-Profits Funds and these funds measure their returns with Bonus declarations.

Appendix 1

Statement of Investment Principles

DSV UK Group Pension Scheme

Statement of Investment Principles for the DC Section of the Scheme

Introduction

The law requires the Trustee to a produce formal "Statement of Investment Principles" for the Scheme's default arrangement and its other investment options. These Statements set out what the Trustee aims to achieve with the investment options and its investment policies which guide how members' money is invested.

This document is a compendium of the Statements of Investment Principles for the DC Section of the DSV UK Group Pension Scheme (the "Scheme"). These Statements must cover a number of technical points to comply with legislation as well as meet the expectations of the Pensions Regulator and needs of the Scheme's Auditors which, as far as possible, are shown separately in "for the record" boxes.

Statements of Investment Principles

The Trustee's Statements of Investment Principles for the DC Section contained in this document include the:

1 Statement of the aims and objectives for the default arrangement*;

2 Statement of the aims and objectives for investment options outside the default arrangement*; and

3 Statement of investment beliefs, risks and policies**.

The Statement of Investment Principles for the Scheme ** comprises items 1, 2 and 3. The Statement of Investment Principles for the Scheme's default arrangement *** comprises items 1 and 3.

Appendices

A. Investment implementation for the default arrangement;

B. Investment implementation for the investment options outside the default arrangement;

C. Summary of the approach to investment governance; and

D. Summary of the Scheme's service providers.

For the record

* In accordance with Regulation 2A(1) of the Occupational Pension Schemes (Investment) Regulations 2005.

** In accordance with Regulation 2 of the Occupational Pension Schemes (Investment) Regulations 2005 as modified by subsequent Regulations and section 35 of the 1995 Act.

*** As required by the Occupational Pension Schemes (Charges and Governance) Regulations 2015

The Trustees have taken proper written advice and consulted the principal sponsor of the Scheme (DSV Road Holding Limited) in the preparation of these Statements of investment Principles. These Statements will be reviewed by the Trustee at least every three years or more frequently as required by the Regulations.

For and on behalf of the Trustee of the Scheme

Name	Signed	Date
Rene Falch Olesen (Chair of Trustee Board)	[redacted]	02-Nov-2022 | 15:30 GMT

1 Statement of the aims and objectives for the default arrangement

Reasons for the Default Arrangement

The Trustee has decided that the Scheme should have a default investment arrangement because:

- The Scheme is a qualifying scheme for auto-enrolment purposes and so must have a default arrangement;
- It should be easy to become a member of the Scheme and start building retirement benefits without the need to make any investment decisions; and
- A majority of the Scheme's members are expected to have broadly similar investment needs.

Choosing the default arrangement

The Trustee believes that understanding the Scheme's membership is essential to designing and maintaining a default arrangement which meets the needs of the majority of members.

The Trustee has taken into account a number of aspects of the Scheme's membership including:

- The members' ages and salary profiles;
- The likely sizes of members' DC pension funds at retirement; and
- Members' likely benefit choices at and into retirement.

Objectives for the default arrangement

The main objective of the default arrangement is to provide good member outcomes at retirement by providing, on a defined contribution basis, benefits for members on their retirement or benefits for their dependants on death before or after retirement. The Trustee believes that it is in the best interests of the majority of members to offer a default which:

- Manages the principal investment risks members face during their membership of the Scheme;
- Maximises investment returns relative to inflation while taking an appropriate level of risk during membership of the Scheme for the majority of members who do not make investment choices; and
- Reflects members' likely benefit choices at retirement.

The default arrangement

The default arrangement is therefore one of two lifestyle strategies (Balanced Drawdown Strategy or Full Cash Strategy, see Appendix A) which:

- Gradually moves investments between different funds to manage the levels of investment returns and principal investment risks at each stage of membership of the Scheme; and
- Targets members who are expected to take cash at retirement or use Flexible Access Income Drawdown during their retirement.

The expected levels of investment returns (after the deduction of charges) and risks for the funds used are consistent with the Trustee's objectives for the default arrangement. The expected investment returns and approach to managing investment risks including financially material considerations such as climate change are described in Section 3.

Full details of the current default arrangement are given in Appendix A ("Investment implementation for the default arrangement").

2 Statement of the aims and objectives for investment options outside the default arrangement

Reasons for the investment options

In addition to the default arrangement, the Scheme offers members a choice of investment options because:

- While the default arrangement is intended to meet the needs of a majority of the Scheme's members, it may not meet the needs of a wider cross-section of members;
- Attitudes to investment risks and the need for investment returns will vary from member to member and will also vary for each member over time and, in particular, as they approach retirement;
- Members have differing investment needs and these needs change during their working lives; and
- Some members will want to be more closely involved in choosing where their contributions are invested.

Choosing the investment options

Membership analysis

The Trustee believes that understanding the Scheme's membership is important to maintaining an appropriate range of investment options and have taken into account a number of aspects including:

- The members' ages and salary profiles;
- The likely sizes of members' DC pension funds at retirement;
- Members' retirement dates and likely range of benefit choices at and into retirement;
- The levels of investment risk and return members may be willing to take;
- The degree to which members are likely to take an interest in where their contributions are invested; and
- The number of members who are likely to want responsible investment.

Member behaviour

The Trustee has also considered the results of academic research and market surveys into how members choose where to invest their DC pension funds which in summary show:

- Too little choice is viewed negatively by members;
- Too much choice can prove confusing and deter members from taking action; and
- Some members will not regularly review their choices.

Costs of investment options

The investment costs are borne by members and so a balance needs to be struck between choice and costs.

Objectives for the investment options

The Scheme offers members a choice of investment options as an alternative to the default arrangement.

Alternative lifestyle options

The main objective of the alternative lifestyle options is to give good member outcomes at retirement by providing, on a defined contribution basis, benefits for members on their retirement or benefits for their dependants on death before or after retirement.

The Trustee believes that it is in the best interests of members in the alternative lifestyle options to:

- Manage the principal investment risks members face during their membership of the Scheme;
- Maximise investment returns relative to inflation while taking an appropriate level of risk during membership of the Scheme for members who do not otherwise make investment choices; and
- Give further choice for members who feel that the Scheme's default arrangement is not appropriate to their needs, but do not otherwise want to be involved in deciding where their contributions are invested.

The alternative lifestyle options give members a choice compared to the default arrangement of:

- Higher and lower levels of investment risk and return;
- Targeting cash and annuity purchase at retirement (Annuity Strategy);
- Targeting cash (additional cash than provided by the default Balanced Drawdown Strategy) and income drawdown at retirement (Extra Cash Strategy); and
- Targeting income drawdown only at retirement i.e. no cash (Full Drawdown Strategy).

Self-select funds

The objectives of the self-select fund range are to:

- Provide a choice of individual funds for members who want to be more closely involved in choosing where their DC pension fund is invested;
- Complement the objectives of the Default Arrangement and the alternative lifestyle options;
- Provide a broader choice of levels of investment risk and return;
- Provide a broader choice of investment approaches including responsible investing;
- Help members more closely tailor how their DC pension fund is invested to their personal needs and attitude to risk; and
- Help members more closely tailor how their DC pension fund is invested to reflect the benefits they intend to take at retirement.

Nevertheless, the self-select fund range cannot be expected to cover all the investment needs of all members.

Risk and return

The expected levels of investment returns (after the deduction of charges) and risks for the funds used are consistent with the Trustee's objectives for these investment options. The expected investment returns and approach to managing investment risks including financially material considerations such as climate change are described in Section 3.

Full details of the current investment options are provided in Appendix A ("Investment implementation for the default arrangement") and Appendix B ("Investment implementation for investment options outside the default arrangement").

ADDITIONAL VOLUNTARY CONTRIBUTIONS (AVCS)

The Trustee gives members the opportunity to pay AVCs in line with their normal contributions. The choice of funds for AVCs is the same as the DC fund choice, which is set out in Appendix A and B.

3 Statement of investment beliefs, risks and policies

Introduction

This Statement sets out the investment beliefs and policies which guide the Trustee's decision making.

For the record

This Statement of investment beliefs, risks and policies should be read in conjunction with the Statements of the aims and objectives for both the default arrangement and the investment options outside the default arrangement. Collectively, these respectively form the Statements of Investment Principles for the Scheme and the default arrangement.

This Statement of investment beliefs has been prepared in accordance with the Occupational Pension Scheme (Investment) Regulations 2005 as amended by the Pension Protection Fund (Pensionable Service) and Occupational Pension Schemes (Investment and Disclosure) (Amendment and Modification) Regulations 2018.

Risks

Principal investment risks

The Trustee believes that the three principal investment risks most members will face are:

1) Inflation risk – investment returns over members' working lives may not keep pace with inflation and, as a result, do not produce adequate retirement benefits.

Further from retirement, this risk should be countered by funds investing in equities and other growth orientated assets which are expected to produce returns well in excess of inflation over the longer term. Approaching retirement, the impact of this risk needs to be balanced against the other main risks members face.

2) Benefit conversion risk – investment conditions just prior to retirement may increase the cost of turning members' fund values into retirement benefits.

For members taking cash at retirement, funds investing in cash deposits and other short-term interest-bearing investments provide a high degree of (but not complete) capital security. Funds investing in a mix of different assets are expected to be broadly suitable for members planning income drawdown during retirement. For members buying an annuity at retirement, the value of funds investing in longer-dated bonds may be expected to broadly follow changes in annuity rates caused by long-term interest rates.

3) Volatility/Market risk – falls in fund values prior to retirement lead to a reduction in retirement benefits.

Funds investing in bonds or a mix of assets or investment techniques intended to manage short-term risks may be expected to be subject to lower levels of short-term fluctuations in values - although there may be occasions when this does not hold good.

Other investment risks

The Trustee believes that other investment risks members may face include:

Active management risk – a fund manager's selection of holdings may not lead to investment returns in line with the fund's objectives and investment markets generally.

The Trustee is comfortable that the benchmark asset allocation of the default strategies offered to members are appropriate and consistent with the lifestyle approaches to investment which are in place. The decision to appoint two investment managers reduces manager risk relative to benchmark (which would arise from the potential underperformance of a single manager).

Currency risk – changes in exchange rates will impact the values of investments outside the UK when they are being bought or sold.

Interest rate risk – the value of funds which invest in bonds will be affected by changes in interest rates.

Default risk – for bond funds (where money is lent in return for the payment of interest), the company or government borrowing money fails to pay the interest due or repay the loan.

Liquidity risk – funds which invest in assets which cannot be easily bought or sold (such as property) may at times not be able to accept new investments or disinvestments of existing holdings.

Counterparty risk – the financial institutions holding a fund's assets may get into financial difficulties leading to a reduction in a fund's value.

Market risks - Shifts in market sentiment (for example, in response to economic news or geopolitical events) or momentum in general market trading can lead to widespread changes and/or volatility in asset values over the short-term.

This can include short-term changes in the normally expected correlations of the behaviour of risks and returns seen between different asset classes, when standard approaches to mitigating risks such as diversification are temporarily ineffective.

Factor based investing – equity investments may show several factors (supported by academic research) that may be expected to deliver stronger returns over the longer-term, but which may show increased risks (including timing) in the shorter-term.

Environmental, Social and Governance (ESG) risks – the extent to which ESG issues are not reflected in asset prices and/or not considered in investment decision making leading to underperformance relative to expectations.

Climate risk - The extent to which climate change causes a material deterioration in asset values as a consequence of factors including, but not limited to: policy change, physical impacts and the expected transition to a low-carbon economy.

Legislative/Regulatory - Changes in government policy or taxation may have a long-term positive or negative impact on certain sectors of a country's economy or one country relative to its neighbours over the medium to longer-term. Changes in Regulations can also affect the operational costs, tax efficiency and security of one investment vehicle relative to other vehicles over the shorter-term.

Managing risks

The Trustee has developed and maintained a framework for assessing the impact of all investment risks on long-term investment returns.

Time horizon

The Trustee monitors the age profile of the Scheme's membership to arrive at an appropriate investment horizon when considering all investment risks:

- The Scheme is closed to new entrants. Members were permitted into the DC Section of the Scheme if they were active at the time the DB Section of the Scheme was closed (30 September 2005 for the DFDS (DSV) Section and 31 October 2007 for the Frans Maas section and 5 April 1998 for the UTi Section). Members are still able to contribute to the DC Section of the Scheme.

- Given the range of members' ages in the Scheme, investment risks need to be considered over a time horizon in excess of 30 years.

Principal investment risks

The lifestyle options manage the three main investment risks as members grow older by automatically switching from funds which are expected to give long-term growth relative to inflation into funds whose values should fluctuate less in the short-term relative to the benefits members are expected to take at retirement.

The self-select fund range provides members with a choice of funds with differing risk and return characteristics which are expected to meet the investment needs of a majority of members.

Other investment risks

The Trustee manages the other investment risks as part of the process for selecting and ongoing monitoring of the funds used by the Scheme.

The funds used give a good spread of investments which will help manage risks associated with market conditions, fund manager actions and default.

The Trustee acknowledges the relevance of climate change and the potential risk it can have on certain investments in the future. The DSV Global Equity Fund consists 50% of the Schroders Sustainable Multi Factor Equity Fund (SMFE), which has a tilt towards sustainable companies. The Trustee discusses the potential impact of climate risks with its adviser and managers on a periodic basis and monitors developments in this area.

Financially material considerations

The Trustee recognises that the consideration of financially material considerations, including ESG factors and climate risk, are relevant to the development, selection and monitoring of the Scheme's investment options.

The Trustee has drafted a formal responsible investment policy with ESG statements, including statements on climate risk. The statements allows the Trustee to prioritise investments that fit with their beliefs and help the Trustee make future investment decisions. The Trustee recognises the importance of ESG mandates and will put an option in place where relevant in the DC Section. The Trustee has discussed the extent to which ESG issues, where relevant to the investment mandate, are integrated into the investment processes of their investment managers.

Implementation

The Scheme uses standard pooled funds offered by investment platform providers and fund managers. This gives access to a range of funds while keeping down costs to members, but means that the Trustee cannot adopt an approach to managing financially material considerations specific to the Scheme. The Trustee nevertheless seeks to manage financially material considerations to protect long-term returns by:

- Investing 50% of the DSV Global Equity Fund in the Schroders Sustainable Multi Factor Equity Fund, which invests in global equities on a multi-factor basis with a tilt towards investing in sustainable companies;
- Choosing fund managers who have clearly articulated policies for managing financially material considerations including climate change;
- In selecting new investment managers, where relevant to the investment mandate, the Trustee explicitly considers potential managers' approaches to responsible investment and the extent to which managers integrate ESG issues in their investment process as a factor in their decision making;

- Considering the extent to which ESG issues including climate risk, where relevant, are integrated into the fund managers' investment processes and are satisfied that the fund managers follow an approach which takes account of financially material factors;
- For actively managed funds (where the fund manager decides where to invest), expect the fund managers to take financially material considerations into account, when selecting which companies and markets to invest in, including the potential impact of ESG factors and climate change in the implementation of their mandate;
- For passively managed funds, the Trustee recognises that the funds' objectives are to deliver returns in line with its benchmark (which may or may not take into account ESG factors), which the Trustee believes will deliver appropriate risk adjusted returns. The Trustee will review the index benchmarks employed for the Scheme on at least a triennial basis;
- In passive mandates, the Trustee recognises that the choice of benchmark dictates the assets held by the investment manager and that the manager has minimal freedom to take account of factors that may be deemed to be financially material.
- For all funds, encourage fund managers to engage with companies in which the fund invests to encourage business strategies which should improve or protect the value of those investments; and
- Prefer fund managers who are signatories to the Financial Reporting Council's Stewardship Code in the UK and the United Nations supported Principles for Responsible Investment.

The Trustee is satisfied that the investment managers are following an approach which takes account of all financially material factors.

Expected returns on investments

The Trustee believes that it is important to balance investment risks with the likely long-term returns from different types of assets used in funds (taking the funds' costs and charges into account).

Asset class	Expected long-term investment returns relative to inflation	Expected shorter-term volatility in fund values	Objective
Equities (i.e. company shares)	Strong return relative to inflation	Most volatile in the short-term	Achieve an attractive real return over the long term
Property (e.g. offices, shops and warehouses)	Positive, but lower than equities	Lower than equities	Achieve an attractive real return over the long term
Multi-asset / Diversified Growth Funds (i.e. investing in a varying mix of asset classes)	Positive returns relative to inflation over the longer-term, but lower than equities	Lower short-term volatility than equities	Achieve an attractive real return over the long term
Corporate Bonds (i.e. loan stocks issued by companies)	Positive, but lower than equities and property	Lower than equities or property	Provide for the payment of the tax-free lump sum on retirement and to reduce the volatility of the cost of the annuity that may be purchased, rather than to achieve

Asset class	Expected long-term investment returns relative to inflation	Expected shorter-term volatility in fund values	Objective
			a specified 'real' or 'nominal' return
Fixed Interest Government Bonds (e.g. UK Gilts)	Positive, but lower than equities, property or corporate bonds	Lower than equities, property or corporate bonds	Provide for the payment of the tax-free lump sum on retirement and to reduce the volatility of the cost of the annuity that may be purchased, rather than to achieve a specified 'real' or 'nominal' return
Index-Linked Government Bonds (e.g. UK Index-Linked Gilts	In line with inflation	Lower than equities, property or corporate bonds	Provide for the payment of the tax-free lump sum on retirement and to reduce the volatility of the cost of the annuity that may be purchased, rather than to achieve a specified 'real' or 'nominal' return
Cash (and other short-term interest-bearing investments)	Return may not keep pace with inflation	Minimal with high degree (but not complete) of capital security	Provide for the payment of the tax-free lump sum on retirement and to reduce the volatility of the cost of the annuity that may be purchased, rather than to achieve a specified 'real' or 'nominal' return

The Trustee notes that long-dated bonds (e.g. UK Gilts and Corporate Bonds with a duration of 15 years or more) – should give fund values which move broadly in line with the financial factors influencing annuity rates.

The Schroders Sustainable Multi Factor Equity Fund is expected to give a better risk adjusted return over the long-term than the broader market for the type of assets involved.

The Trustee is satisfied that these return objectives are consistent with the aims of members at different stages within the lifestyle process.

Investment beliefs

The Trustee's investment decisions are made in the context of their investment beliefs that:

- The long-term nature of the Scheme means that investments should be made with the expectation of long-term sustainable returns;
- Managing the principal investment risks is the most important driver of good long-term member outcomes;
- As the Scheme invests for members over the long-term, financially material considerations including the impact of climate change will have a bearing on funds' expected levels of risk and return;
- Investment markets may not always behave in line with long-term expectations during the shorter-term;

- Taking investment risk is usually rewarded in the long term;
- Investment risks can be reduced by spreading investments both within and across asset classes;
- Actively managed funds, where the manager chooses where to invest, may not always deliver the expected investment returns in the shorter-term;
- Passively managed funds, whose returns are intended to track a market index, may produce investment returns more efficiently than actively managed funds in some markets.
- Charges and costs (levied by fund managers and platform providers) can have a material effect on net returns.

Types of funds used

Kinds of investment to be held

The investment managers may invest in UK and overseas equities, UK and overseas corporate bonds, UK and overseas government bonds (fixed interest and inflation linked), infrastructure, property, commodities, private equity and cash. However, the investments in each fund will depend on the nature of each fund, its objective and benchmark and the risk controls which operate. Within each fund, the proportions held at any time in each asset class or geographic region will reflect the benchmark for that fund.

Delegation of investment decisions

The Scheme uses funds provided through an investment platform. This investment platform in turn invest its funds in funds provided by a selection of fund managers where investments are pooled with other investors. This enables the Scheme to invest in a range of funds giving a good spread of investments in a cost-effective manner. It does mean that the Trustee has delegated day to day investment decisions including the management of financially material considerations to the fund managers.

Choosing investments

The funds in which members invest are pooled funds, which the Trustee believes is appropriate given the size and nature of the DC Section. The managers of the pooled funds are given full discretion over the choice of individual stocks and are expected to maintain a diversified portfolio within each fund. The Trustee is satisfied that the assets held in each fund are suitable in relation to the needs of the members.

The Trustee’s choice of funds, and hence choice of approaches to aspects such as responsible investment and shareholder engagement, are constrained by the choice of funds available on the provider’s platform. While the Trustee will endeavour as far as possible to select a platform provider and funds on that provider’s platform which are consistent with the Scheme’s investment objectives and the Trustees’ investment beliefs, this needs to be balanced against the wider benefits of access to the other funds on the platform and the other services from the platform provider as well as taking into consideration the costs of change to the Scheme and its members.

Manager incentives

Remuneration for each mandate is determined at the inception of each mandate based on commercial considerations and typically set as a percentage of assets under management. Where appropriate to the nature of the mandate, the term of the mandate and the role the mandate plays within the investment strategy, the Trustee may agree to a fee structure where the manager is incentivised to deliver outperformance relative to an agreed benchmark, typically in conjunction with a lower ad valorem fee. The Trustee periodically reviews the fees paid to all of its managers against industry standards.

When selecting funds, the Trustee will ask their investment advisor to consider the investment managers’ remuneration strategies and appropriateness of each fund’s investment guidelines to ensure that there is no inducement or scope to take an undue level of risk and that the investment managers will act in line with the interests of the Scheme's members.

In accordance with the 2015 Regulations, the Trustee conducts an annual Value for Members assessment and will take action should the provider be found to be giving poor value. In addition, in accordance with guidance from the Pensions Regulator, the Trustee will periodically review the Scheme's choice of provider to ensure their charges and services remain competitive. The Trustee believes that these steps are the most effective way of incentivising the provider to deliver Value for Members, of which investment management charges and investment performance are key considerations.

The Trustee monitors the investment managers against a series of metrics on a half-yearly basis over a long-term time horizon of one year including:

- Performance of their funds' respective benchmarks;
- Relative tracking error where appropriate;
- The exercise of stewardship responsibilities (including engagement with issuers); and
- The management of risks.

The platform provider or investment managers are expected to provide explanations for any significant divergence from a fund's objectives. A material deviation from performance and risk targets or approach to portfolio management is likely to result in the fund being formally reviewed.

Portfolio turnover

The Trustee does not expect investment managers to take excessive short-term risk and will monitor the investment manager's performance against the benchmarks and objectives on a short, medium and long terms basis.

For passively managed funds the turnover of holdings is driven by changes in the index a fund seeks to track and hence is outside the control of the investment manager except where a fund's total assets under management are relatively small where the investment manager does not fully replicate the index or where a fund invests in less liquid stocks.

When selecting actively managed funds, the Trustee will consider, with the help of their investment advisers, the expected level of turnover commensurate with a fund's investment objectives, the investment manager's investment processes and the nature of the fund's assets.

Whilst the Trustee expects performance to be delivered net of costs, including the costs of trading within the portfolio, the Trustee will ask the investment platform provider or investment managers on the platform to report on at least an annual basis on the underlying assets held within fund with details of any transactions and turnover costs incurred over the Scheme's reporting year.

Where a fund has significantly under or outperformed its benchmark, the Trustee will seek to ascertain where necessary whether higher or lower than normal turnover has been a contributory factor. The Trustee will challenge the platform provider and/or investment managers if there is a sudden change in portfolio turnover or if the level of turnover seems excessive.

Portfolio duration

The Trustee recognises the long-term nature of defined contribution pension investments and chooses funds which are expected to deliver sustainable returns over the Scheme members' investment horizon. The Trustee will carry out necessary due diligence on the underlying investment decision making process, to ensure the manager makes investment decisions over an appropriate time horizon aligned with the objectives for the related investment option.

The Trustee expect that each fund will be used for at least three years, this being the period over which performance of the fund can be appropriately evaluated and the costs of change amortised, although all funds are subject to ongoing review against various financial and non-financial metrics in addition to their continued appropriateness within the investment strategy.

Security of assets

The funds are provided through a policy of insurance issued to the Trustee by the platform provider. As a result, the value of the funds may be affected in the event of the provider getting into financial difficulties.

The Scheme's DC funds are not covered by the Financial Services Compensation Scheme ("FSCS"). The Trustee was aware of this when moving to the LGIM investment platform in 2015. The Trustee will continue to keep the security of members' assets under review. The Trustee takes the security of assets into account when selecting and monitoring the funds used by the Scheme.

The underlying funds used by the provider's platform are accessed through reassurance agreements. In the event of a fund manager getting into financial difficulties, the values in these underlying funds will depend upon the nature of the contract with the platform provider and the fund vehicles used by the fund managers' funds.

Realisation of investments

The Trustee expects that the investment platform provider and the fund managers will normally be able to sell the funds within a reasonable timescale. In particular, the assets held within the pooled funds are held in stocks which are quoted on major stock markets and may be realised quickly if required. There may, however, be occasions where the investment platform or fund managers need to impose restrictions on the timing of sales and purchases of funds (most notably for funds investing in property) in some market conditions to protect the interests of all investors in that fund.

Nevertheless, the Trustee recognise that most members' DC pension funds have a long investment timeframe, during which assets which are less easily traded (such as property or infrastructure) can be managed to deliver good long-term returns while avoiding the impact of liquidity issues at retirement.

Balance of investments

The Trustee reviews the nature of the Scheme's investment options on a regular basis, with particular reference to suitability and diversification. The Trustee considers written advice from a suitably qualified person when determining the appropriateness of each investment manager and fund for the Scheme, particularly in relation to diversification, risk, expected return and liquidity.

Each fund has a defined objective within the overall framework. Overall, the Trustee believe that the Scheme's investment options:

- Provide a balance of investments;
- Are appropriate for different categories and ages of members; and
- Are appropriate for managing the risks typically faced by members.

Stewardship

The Trustee recognises that stewardship encompasses the exercise of voting rights, engagement by and with investment platform and fund managers and the monitoring of compliance with agreed policies. The Trustee accepts that ESG matters and Stewardship activity can be relevant to different stakeholders to the Scheme.

The Trustee will disclose relevant information in relation to ESG and Stewardship with key stakeholders, as requested from time to time.

Members' financial interests

The Trustee expects that the investment platform provider and fund managers will have the members' financial interests as their first priority when choosing investments.

Conflicts of interest

When appointing a platform provider and choosing investment managers' funds on the provider's platform, the Trustees will seek to establish that the platform provider and each investment manager has an appropriate conflicts of interest policy in place. This includes any provisions to disclose any potential or actual conflict of interest [in writing] to the Trustee.

When given notice the Trustee will consider the impact of any conflicts of interest arising in the management of the funds used by the Scheme.

Responsibility for investment decisions has been delegated to the investment managers which includes consideration of the capital structure of investments and the appropriateness of any investment made. Where managers are investing in new issuance, the Trustee expects the investment manager to engage with the issuer about the terms on which capital is issued and the potential impact on the rights of new and existing investors.

The Trustee will consider any conflicts of interest arising in the management of the funds used by the Scheme and will ensure that the platform provider and each investment manager has an appropriate conflicts of interest policy in place.

Voting and engagement

The Trustee believes that engagement with the companies in which the Scheme invests, including the proactive use of shareholder voting rights, can improve the longer-term returns on the Scheme's investments.

The Scheme invests via an investment platform provider (Legal and General Investment Management, LGIM), who in turn invest in funds which are pooled with other investors to keep costs down and ensure adequate diversification. As a result, the Trustee has adopted a policy of delegating voting decisions on stocks to the underlying fund managers on the basis that voting power will be exercised by them with the objective of preserving and enhancing long term shareholder value. The fund managers are expected to exercise the voting rights attached to individual investments in accordance with their own house policy.

LGIM have produced written guidelines of their process and practice in this regard and are encouraged to vote in line with their guidelines in respect of all resolutions at annual and extraordinary general meetings.

The investment managers should use engagement with company management for positive influence as opposed to divestment from companies unaligned with the Scheme's objectives.

The Trustee will regularly review engagement activity including voting undertaken by their investment managers. Where relevant, the Trustee has reviewed the voting and engagement policies of the fund managers as well as the approach to governance of the investment platform provider and determined that these policies are appropriate. On an annual basis, the Trustee will request that the investment platform provider and fund managers provide details of any change in their house policy.

Where appropriate, the Trustee will engage with and may seek further information from the investment platform provider and fund managers on how portfolios may be affected by a particular issue.

The Trustee expects the investment platform provider to adopt similar practices with regards to the inclusion and ongoing oversight of fund managers on their platform. The Trustee also expects the platform provider to be able to evidence their own governance practices on request.

Monitoring

The Trustee has shared their ESG policies with the investment managers and review their compliance with them every year. The Trustee expects the platform provider to monitor adherence of their investment managers to stated voting and engagement policies, engage with managers where concerns are identified and to report on these issues.

The Trustee receives reports from the investment managers on their voting activity on a periodic basis and the Trustee monitors their voting activity on a periodic basis. The Trustee will also periodically review the fund managers voting patterns and may also monitor voting on particular companies or issues affecting more than one company.

The Trustee reviews the fund managers' voting activity on an annual basis in conjunction with their investment adviser and use this information as a basis for discussion with the investment platform provider and fund managers. Where the Trustee deems it appropriate, any issues of concern will be raised with the manager for further explanation.

The Trustee aims to meet with all fund managers on an annual basis. The Trustee will provide the fund managers with an agenda for discussion, including issues relating to individual holdings and where appropriate, ESG issues. Managers are challenged both directly by the Trustee and by its investment advisers on the impact of any significant issues including, where appropriate, ESG issues that may affect the prospects for return from the portfolio.

Non-financial factors

Given the objectives of the Scheme, the Trustee does not impose any restrictions or exclusions to the investment arrangements based on non-financially material factors.

The Trustee notes that a large majority of members have not made active investment choices and so the Trustee believe that most members are unlikely to have strong views on where their savings are invested. The Trustee has therefore decided that it would not be worthwhile surveying members' views on non-financial factors relating to the Scheme's investments. The Trustee will instead take into account what, in their reasonable opinion, members' views of non-financial factors are likely to be.

The Trustee notes that non-financial factors can affect various investment risks which are borne by members and may under-perform other funds with broader-based investment approaches.

Fund managers are otherwise only expected to take non-financial factors into account when these do not conflict with the financial interests of members and the Scheme's investment objectives.

For the record

The Trustee obtains and considers proper advice from suitably experienced and qualified persons when choosing investments and preparing the Statement of Investment Principles.

Funds are chosen by the Trustee to give an expected level of return with an appropriate level of investment risk which meets the objectives of each default arrangement and other investment options.

The funds used at each stage of the default arrangement and the alternative lifestyle options are intended to deliver good member outcomes at retirement from an appropriate balance of investment growth relative to inflation and the then pertinent investment risks.

The investment platform uses a life insurance company based legal vehicle for its funds. The fund managers used by the platform use a variety of different legal vehicles for their funds. The funds may invest in quoted and unquoted securities traded in regulated UK and overseas markets:

- Equities (company shares);
- Fixed interest and index-linked bonds issued by governments and companies;
- Cash and other short-term interest-bearing deposits;
- Commercial and residential property;
- Illiquid assets including infrastructure, forestry, private equity and private debt;
- Commodities through collective investment vehicles; and
- Derivatives to facilitate changes in where funds are invested or to help control investment risks.

Funds provided through a life insurance company must comply with the Financial Conduct Authority ("FCA") "Permitted Links" rules, which place limits on the degree of leverage a fund can use. Fund managers using other fund vehicles subject to the European "UCITS IV" and the FCA's "Non-UCITS" regulations have to meet requirements on the security and concentrations of assets. Exchange Traded Funds may be used directly or indirectly to gain access to less easily traded and illiquid asset classes.

Subject to the funds' benchmarks and guidelines, the fund managers are given full discretion over the choice of securities and, for multi-asset funds, choice of asset classes. Fund managers are expected to maintain well-diversified and suitably liquid portfolios of investments.

The Trustee considers that these types of investments are suitable for the Scheme. The Trustee is satisfied that the funds used by the Scheme provide adequate diversification both within and across different asset classes.

Appendix A

Investment implementation for the default arrangement

Default arrangement

The main default is the **Lifestyle Balanced Drawdown Strategy**. However, as a member approaches five years before their Selected Retirement Age, an estimate of their tax free cash lump sum entitlement at retirement (from the DB and DC Sections of the Scheme) is compared to an estimate of the value of their Personal Account (allowing for future investment returns and any regular contributions that are payable). If the excess amount of their Personal Account is under £3000, the default fund will be the **Lifestyle Cash Strategy**.

The **Lifestyle Balanced Drawdown Strategy** is a lifestyle strategy which targets cash and income drawdown at retirement. The **Lifestyle Cash Strategy** is a lifestyle strategy which targets cash at retirement.

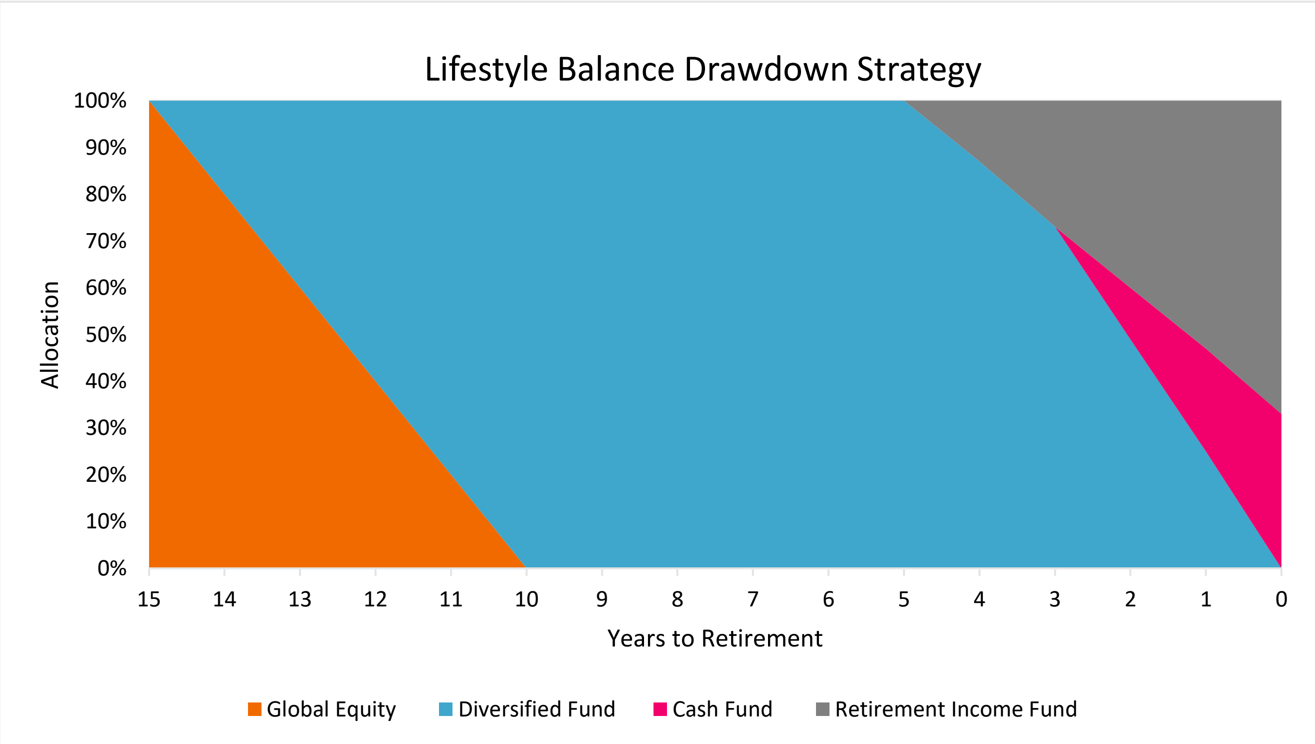
Members are invested in funds expected to give higher returns relative to inflation up to 15 years before their selected retirement date.

Members are gradually switched into funds which are expected to give good returns relative to inflation while consolidating past investment gains between 15 and 5 years before their selected retirement date.

Finally, members are automatically switched into funds aligned to their expected benefit choices at retirement during the last 5 years up to their selected retirement date.

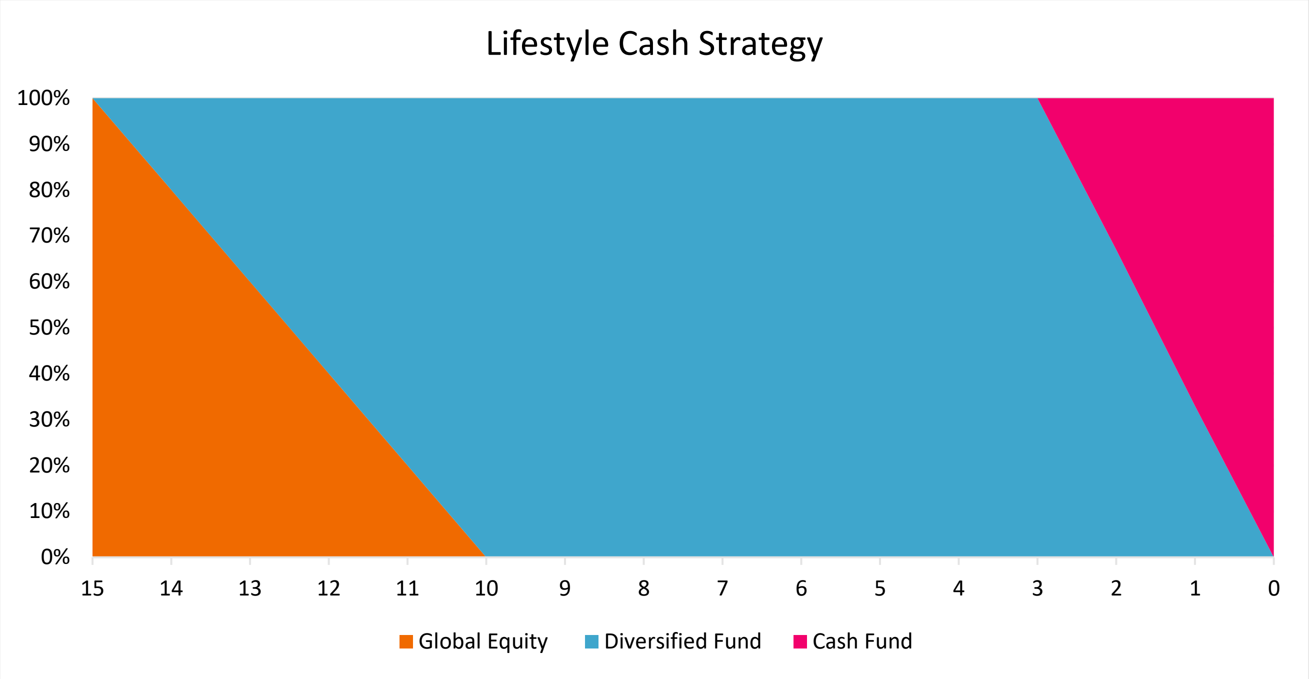
Lifestyle Balanced Drawdown Strategy

This Lifestyle option moves a member's funds to 33% cash and the rest to the DSV Retirement Income Fund, a fund which is expected to continue to grow. A member should consider this option if they plan to target benefits of one third (33%) of their Personal Account as a tax-free cash lump sum, and to invest the remainder in drawdown, which aims to provide the option to choose a flexible level of income.



Lifestyle Cash Strategy

This Lifestyle fund moves to 100% cash by the time a member reaches retirement. A member could consider this strategy if they plan to take the whole of their Personal Account at retirement as a cash lump sum.



Fund allocation

The allocation to each fund in the **Lifestyle Balanced Drawdown Strategy** default arrangement at yearly intervals up to a member's selected retirement date is:

Years to retirement	DSV Global Equity Fund	DSV Diversified Fund	DSV Retirement Income Fund	DSV Cash Fund
15 or more	100%	0%	0%	0%
14	80%	20%	0%	0%
13	60%	40%	0%	0%
12	40%	60%	0%	0%
11	20%	80%	0%	0%
10	0%	100%	0%	0%
9	0%	100%	0%	0%
8	0%	100%	0%	0%
7	0%	100%	0%	0%
6	0%	100%	0%	0%
5	0%	100%	0%	0%
4	0%	87%	13%	0%

Years to retirement	DSV Global Equity Fund	DSV Diversified Fund	DSV Retirement Income Fund	DSV Cash Fund
3	0%	73%	27%	0%
2	0%	49%	40%	11%
1	0%	25%	53%	22%
0	0%	0%	67%	33%

Rebalancing between these funds takes place on a quarterly basis. “Reverse switching” in the event of marked relative movements between funds causing an overshoot of the target asset allocation is not undertaken.

The allocation to each fund in the **Lifestyle Cash Strategy** default arrangement at yearly intervals up to a member’s selected retirement date is:

Years to retirement	DSV Global Equity Fund	DSV Diversified Fund	DSV Cash Fund
15 or more	100%	0%	0%
14	80%	20%	0%
13	60%	40%	0%
12	40%	60%	0%
11	20%	80%	0%
10	0%	100%	0%
9	0%	100%	0%
8	0%	100%	0%
7	0%	100%	0%
6	0%	100%	0%
5	0%	100%	0%
4	0%	100%	0%
3	0%	100%	0%
2	0%	67%	33%
1	0%	33%	67%
0	0%	0%	100%

Rebalancing between these funds takes place on a quarterly basis. “Reverse switching” in the event of marked relative movements between funds causing an overshoot of the target asset allocation is not undertaken.

Funds and charges

The funds used by the **Lifestyle Balanced Drawdown Strategy** and their charges (expressed as a percentage annual management charge (“AMC”) and Total Expense Ratio (“TER”) as at 31 December 2021 are:

Platform Fund	Underlying fund(s)	TER %
DSV Global Equity Fund	50% LGIM Global Equity 50:50 Index 50% Schroders Sustainable Multi Factor Equity (SMFE) Fund	0.210%
DSV Diversified Fund	Schroders Sustainable Multi-Asset Fund*	0.361%
DSV Retirement Income Fund	60% LGIM Retirement Income Multi-Asset Fund 40% LGIM Investment Grade Corporate Bond – All Stocks – Index Fund	0.279%*
DSV Cash Fund	LGIM Cash Fund	0.120%

* Formerly known as the Schroders Dynamic Multi-Asset Fund pre 1 April 2022.

Members in the **Lifestyle Balanced Drawdown Strategy** will see TERs range from 0.120% to 0.361%.

The funds used by the **Lifestyle Cash Strategy** and their charges (expressed as a percentage annual management charge (“AMC”) and Total Expense Ratio (“TER”)) as at 31 December 2021 are:

Platform Fund	Underlying fund(s)	TER %
DSV Global Equity Fund	50% LGIM Global Equity 50:50 Index 50% Schroders Sustainable Multi Factor Equity (SMFE) Fund	0.210%
DSV Diversified Fund	Schroders Sustainable Multi-Asset Fund	0.361%
DSV Cash Fund	LGIM Cash Fund	0.120%

Members in the **Lifestyle Cash Strategy** will see TERs range from 0.120% to 0.361%.

Investment costs

Fund charges

The investment platform provider’s and fund managers’ charges for the investment options are borne by the members.

The Scheme is a “qualifying scheme” for auto-enrolment purposes, which means that both of the default options are subject to the charge cap introduced by the government from April 2015.

Transaction costs

Transaction costs arise when the fund managers buy and sell the assets held by each fund. Costs may also be incurred when units in the funds are bought and sold. These costs are taken into account when calculating the funds’ unit prices and members’ fund values.

Review

The present default arrangement was introduced in January 2016 and was last reviewed in February 2022 and the review concluded that the default strategies remained fit for purpose

Appendix B
Investment implementation for investment options outside the default arrangement

Lifestyle options

The Scheme offers members a choice of alternative lifestyle options as alternatives to the default arrangements.

Objective

While the default arrangements, the **Lifestyle Balanced Drawdown Strategy** and **Lifestyle Cash Strategy**, target cash and income drawdown at retirement and cash at retirement respectively, the alternative lifestyle options target different levels of expected investment risk at retirement, in particular:

- Targeting cash and annuity purchase at retirement (Annuity Strategy);
- Targeting cash (additional cash than provided by the default Balanced Drawdown Strategy) and income drawdown at retirement (Extra Cash Strategy); and
- Targeting income drawdown only at retirement i.e. no cash (Full Drawdown Strategy).

Approach

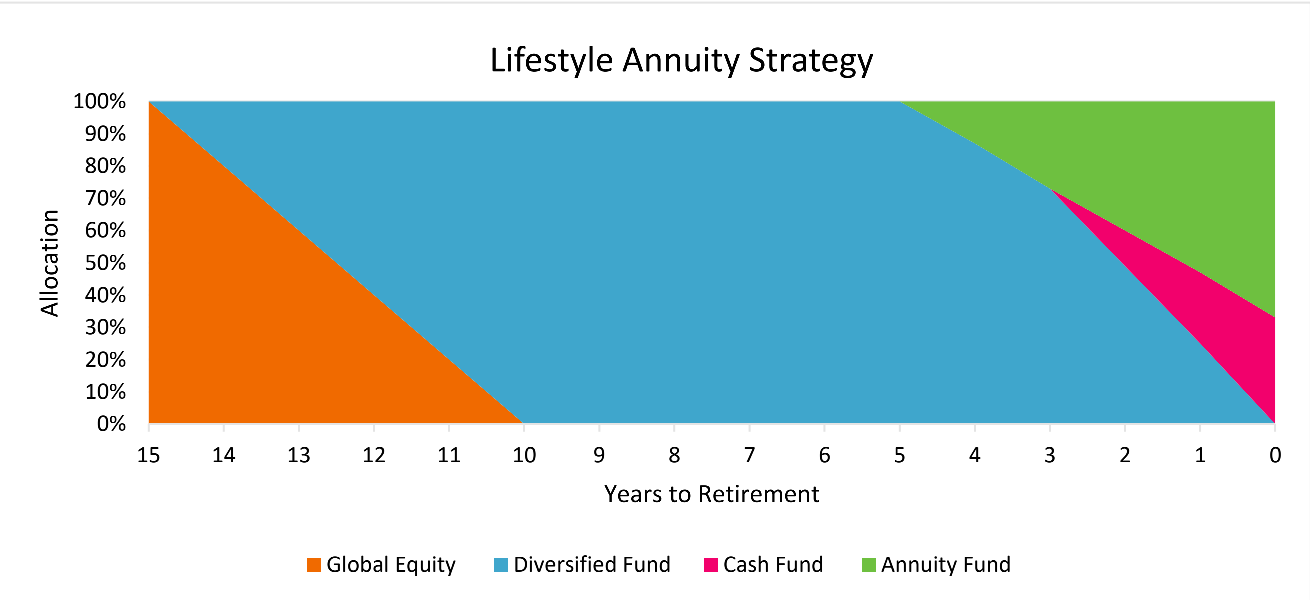
Lifestyle Annuity Strategy

This Lifestyle option moves a member's funds to 33% cash and the rest to the DSV Annuity Fund (a combination of bonds and gilts), as this fund is a good match to changing annuity prices. A member should consider this option if they plan to take part of their Personal Account at retirement as a tax-free cash lump sum and purchasing an annuity with the remainder.

Members are invested in funds expected to give higher returns relative to inflation up to 15 years before their selected retirement date.

Members are gradually switched into funds which are expected to give good returns relative to inflation while consolidating past investment gains between 15 and 5 years before their selected retirement date.

Finally, members are automatically switched into funds that align to their expected retirement choices during the last 5 years up to their selected retirement date.



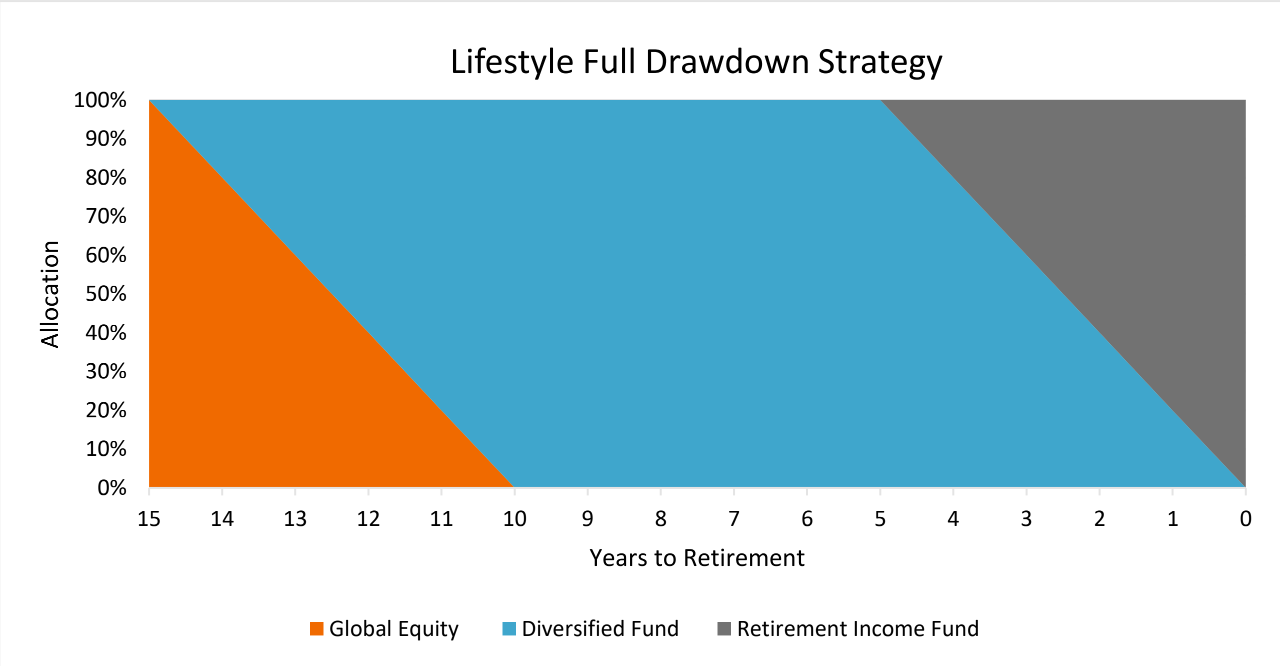
Lifestyle Full Drawdown Strategy

This Lifestyle option moves a member's Personal Account to 100% DSV Retirement Income Fund. They should consider this approach if they do not wish to take a lump sum at retirement but plan to target drawdown which aims to provide the option to choose a flexible level of income based on the whole value of their Personal Account.

Members are invested in funds expected to give higher returns relative to inflation up to 15 years before their selected retirement date.

Members are gradually switched into funds which are expected to give good returns relative to inflation while consolidating past investment gains between 15 and 5 years before their selected retirement date.

Finally, members are automatically switched into funds that align to their expected retirement choices during the last 5 years up to their selected retirement date.



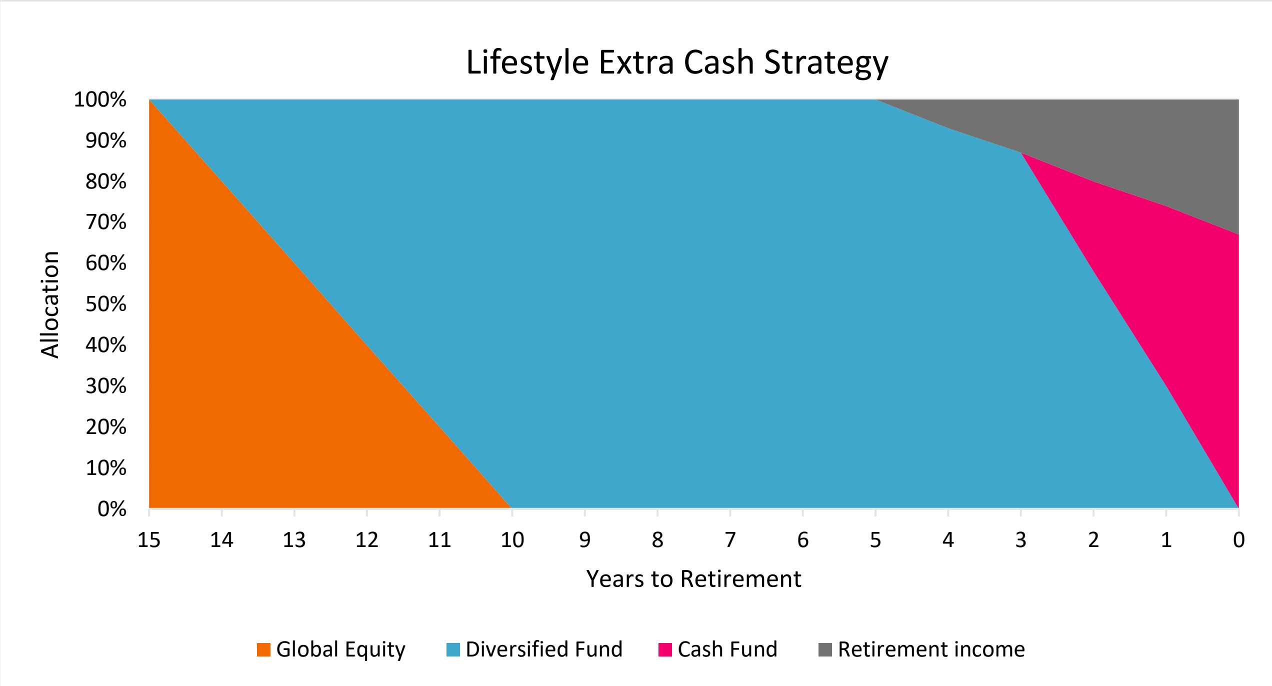
Lifestyle Extra Cash Strategy

This Lifestyle option moves a member's Personal Account to 67% cash by the time they reach retirement, and the rest to the DSV Retirement Income Fund which is expected to continue to grow. A member should consider this option if they plan to target benefits of around two thirds (67%) of their Personal Account as a cash lump sum, and to invest the remainder in drawdown, which aims to provide the option to choose a flexible level of income.

Members are invested in funds expected to give higher returns relative to inflation up to 15 years before their selected retirement date.

Members are gradually switched into funds which are expected to give good returns relative to inflation while consolidating past investment gains between 15 and 5 years before their selected retirement date.

Finally, members are automatically switched into funds that align to their expected retirement choices during the last 5 years up to their selected retirement date.



Fund allocation

The allocation to each fund in the alternative lifestyle options at yearly intervals up to a member's selected retirement date are:

Lifestyle Annuity Strategy

Years to retirement	DSV Global Equity Fund	DSV Diversified Fund	DSV Annuity Fund	DSV Cash Fund
15	100%	0%	0%	0%
14	80%	20%	0%	0%
13	60%	40%	0%	0%
12	40%	60%	0%	0%
11	20%	80%	0%	0%
10	0%	100%	0%	0%
9	0%	100%	0%	0%
8	0%	100%	0%	0%
7	0%	100%	0%	0%
6	0%	100%	0%	0%
5	0%	100%	0%	0%
4	0%	87%	13%	0%
3	0%	73%	27%	0%
2	0%	49%	40%	11%
1	0%	25%	53%	22%
0	0%	0%	67%	33%

Rebalancing between these funds takes place on a quarterly basis. “Reverse switching” in the event of marked relative movements between funds causing an overshoot of the target asset allocation is not undertaken.

Lifestyle Full Drawdown Strategy

Years to retirement	DSV Global Equity Fund	DSV Diversified Fund	DSV Retirement Income Fund
15	100%	0%	0%
14	80%	20%	0%
13	60%	40%	0%
12	40%	60%	0%
11	20%	80%	0%
10	0%	100%	0%
9	0%	100%	0%

Years to retirement	DSV Global Equity Fund	DSV Diversified Fund	DSV Retirement Income Fund
8	0%	100%	0%
7	0%	100%	0%
6	0%	100%	0%
5	0%	100%	0%
4	0%	80%	20%
3	0%	60%	40%
2	0%	40%	60%
1	0%	20%	80%
0	0%	0%	100%

Rebalancing between these funds takes place on a quarterly basis. “Reverse switching” in the event of marked relative movements between funds causing an overshoot of the target asset allocation is not undertaken.

Lifestyle Extra Cash Strategy

Years to retirement	DSV Global Equity Fund	DSV Diversified Fund	DSV Retirement Income Fund	DSV Cash Fund
15	100%	0%	0%	0%
14	80%	20%	0%	0%
13	60%	40%	0%	0%
12	40%	60%	0%	0%
11	20%	80%	0%	0%
10	0%	100%	0%	0%
9	0%	100%	0%	0%
8	0%	100%	0%	0%
7	0%	100%	0%	0%
6	0%	100%	0%	0%
5	0%	100%	0%	0%
4	0%	93%	7%	0%
3	0%	87%	13%	0%
2	0%	58%	20%	22%
1	0%	30%	26%	44%
0	0%	0%	33%	67%

Rebalancing between these funds takes place on a quarterly basis. “Reverse switching” in the event of marked relative movements between funds causing an overshoot of the target asset allocation is not undertaken.

Funds and charges

The funds used by the alternative lifestyle options and their charges (expressed as a percentage [annual management charge ("AMC") and Total Expense Ratio ("TER")) as at 31 December 2021 are:

Platform Fund	Underlying fund(s)	TER %
DSV Global Equity Fund	50% LGIM Global Equity 50:50 Index 50% Schroders Sustainable Multi Factor Equity (SMFE) Fund	0.210%
DSV Diversified Fund	Schroders Sustainable Multi-Asset Fund	0.361%
DSV Retirement Income Fund	60% LGIM Retirement Income Multi-Asset Fund 40% LGIM Investment Grade Corporate Bond – All Stocks – Index Fund	0.279%
DSV Cash Fund	LGIM Cash Fund	0.120%
DSV Annuity Fund	LGIM Pre-Retirement Fund	0.150%

* Formerly known as the Schroders Dynamic Multi-Asset Fund pre 1 April 2022.

Members in the alternative lifestyle options will see TERs at a point in time in the range from:

- 0.172% to 0.361% for the Lifestyle Extra Cash Strategy which targets cash (additional cash than provided by the default Balanced Drawdown Strategy) and income drawdown at retirement
- 0.140% to 0.361% for the Lifestyle Annuity Strategy which targets cash and annuity at retirement
- 0.121% to 0.361% for the Lifestyle Full Drawdown Strategy which targets cash income drawdown at retirement (no cash)

Self-select fund range

The Scheme offers members a choice of self-select funds options as an alternative to the default option and alternative lifestyle options.

Fund range

Members can currently choose between the following funds managed by LGIM and Schroders as self-select funds. The choice of self-select funds and their charges (expressed as a percentage annual management charge ("AMC") and Total Expense Ratio ("TER")) as at 31 December 2021 are:

Fund type	Platform Fund	Underlying fund	TER %
Equity Funds	DSV UK Equity Fund	LGIM UK Equity Fund	0.176%
	DSV World (excluding UK) Fund	LGIM World (ex UK) Equity Fund	0.223%
	DSV Global Equity Fund	50% LGIM Global Equity 50:50 Index 50% Schroders Sustainable Multi Factor Equity (SMFE) Fund	0.210%
	DSV Emerging Markets Equity Fund	LGIM Emerging Markets Equity Fund	0.469%
Mixed Funds	DSV Diversified Fund (Schroders)	Schroders Sustainable Multi-Asset Fund	0.361%
	DSV Retirement Income Fund	60% LGIM Retirement Income Multi-Asset Fund 40% LGIM Investment Grade Corporate Bond – All Stocks – Index Fund	0.279%
Bond Funds	DSV Annuity Fund	LGIM Pre-Retirement Fund	0.150%
	DSV Gilts Fund	LGIM Over 15 Year Gilts Fund	0.100%
	DSV Index-Linked Gilts Fund	LGIM 5 Year Index-Linked Gilts Fund	0.100%
Cash Fund	DSV Cash Fund	LGIM Cash Fund	0.120%
Ex-UTI funds†	Multi Asset (formerly Consensus) Fund	Multi Asset (formerly Consensus) Fund†	0.257%
	Over 15 Year Gilts Index Fund	Over 15 Year Gilts Index Fund†	0.100%
	Cash Fund	Cash Fund†	0.120%

†These funds were previously available to members of the UTi Scheme. During 2018, members who were previously members of the UTi Scheme were transitioned onto the LGIM platform and into the Scheme's lifestyle funds and self-select funds. However, for members of the UTi Scheme who were close to their selected retirement age, the funds were transitioned to the LGIM platform but no changes were made to their investments. Therefore, these funds are only available to those members and not to other members to self-select.

Use of options

Members cannot contribute to the alternative lifestyle options and self-select funds at the same time.

Members cannot have investments from previous contributions in the alternative lifestyle options and self-select funds at the same time.

Investment costs

The investment platform provider's and fund managers' charges for the investment options are borne by the members.

Transaction costs arise when the fund managers buy and sell the assets held by each fund. Costs may also be incurred when units in the funds are bought and sold. These costs are taken into account when calculating the funds' unit prices and members' fund values and are borne by members.

Review

The current alternative lifestyle options and self-select fund range were introduced in January 2016 and were last reviewed in February 2022 and the review concluded that the alternative lifestyle options and self-select fund range remained fit for purpose.

Legacy investment options

The Scheme also has legacy AVC arrangements with Phoenix and Prudential. Members' AVC arrangements with Utmost (previously Equitable Life) were switched to LGIM in 2020. Phoenix funds are closed to new contributions. Both funds are With-Profits arrangements and closed to new entrants. The legacy funds that members' AVC arrangements are invested in are the Prudential With-Profits Fund and the Phoenix With-Profits Fund

Appendix C

Summary of the approach to investment governance

For the record

The Trustee's approach to investment governance complies with the provisions of the Scheme's Trust Deed and Rules as well as legislative requirements.

The Scheme's investment governance is also intended to meet the expectations set out in the Pensions Regulator's 2016 Code of Practice 13.

Exercising the Trustee's Powers

The Trustee will always act in the best interests of the members.

The Trustee has delegated day-to-day work on the Scheme's administration and investments. The current service providers to the Scheme together with how they are paid is set out in Appendix D.

Conflicts of interest

In the event of a conflict of interests, the Trustee will ensure that contributions are invested in the sole interests of members and beneficiaries.

Monitoring

The Trustee regularly monitors and reviews:

Investment Performance - The performance of the funds in which the Scheme invests against both the funds' stated performance objectives and the investment objectives of the Scheme.

This will also include monitoring the levels of portfolio turnover in the event that significant under or out-performance occurs.

Value for members - The member borne charges for the default option against the charge cap for auto-enrolment purposes and the funds' charges and transaction costs to ensure that they represent value for members.

Suitability - The suitability of the default option and investment options outside the default arrangement at least every three years and without delay after any significant change in investment policy or the demographic profile of the Scheme's membership.

The Statements of Investment Principles - at least every three years and without delay after any significant change in investment policy or the demographic profile of the Scheme's membership. The Trustee will consult the sponsor on any changes.

Compliance with Statement of Investment Principles

The Trustee will monitor compliance with the Statement of Investment Principles annually and publish a report to members with effect from the Scheme year ending after 1 October 2020.

Investment process - The processes for investing contributions and taking money from the investment options to pay benefits to ensure that they are carried out promptly and accurately.

Security of assets - The security of funds' assets when choosing a fund provider/manager and thereafter.

Voting – The fund managers' records of exercising shareholder voting rights and engaging with equity and bond issuers on matters which may materially affect the value of investments.

Conflicts of Interest – Instances where the actions of the platform provider or fund managers may be in conflict with the best interests of the Scheme's members.

Reporting

The Trustees arrange for the preparation of:

- The Scheme's audited Annual Report and Accounts (which includes the Annual Governance Statement);
- The Annual Governance Statement by the Chair of Trustees describing the Scheme's investment costs, value for members and governance during the previous year;
- Publication of an extract from the Annual Governance Statement by the Chair of Trustees in a publicly searchable location on-line.
- An annual return to the Pensions Regulator.

Appendix D

Summary of the Scheme's service providers.

The Scheme's current service providers and their basis of remuneration are as follows:

Service	Provider	Remuneration basis
Investment platform provider	Legal and General Investment Management (LGIM)	Percentage of fund value included within funds' Total Expense Ratios for non-LGIM funds only
Fund managers	As shown in Appendices A and B	Percentage of fund value included within funds' Total Expense Ratios
Custodians	Selected by the fund managers.	Percentage of fund value included within funds' Total Expense Ratios
Pension administrator	Hymans Robertson LLP	Fixed fee
Auditor	Grant Thornton	Fixed fee
Investment Consultant	Hymans Robertson LLP	A combination of fixed and time cost fees
Governance Consultant	Hymans Robertson LLP	A combination of fixed and time cost fees
Scheme Secretary	Hymans Robertson LLP	A combination of fixed and time cost fees
Scheme Actuary	Hymans Robertson LLP	A combination of fixed and time cost fees
Legal advisers	Squires Patton Bloggs	Time cost fees

DSV GIL Pension Plan
Statement of Investment Principles – 2006 Plan and LUMP sections

This Appendix sets out the Trustee's current investment strategy for the 2006 Plan and the LUMP sections ("the DC Sections") and is supplementary to the Trustee's Statement of Investment Principles (the "attached Statement").

The Trustee's investment strategy has been established in order to maximise the likelihood of members achieving the primary objectives set out in the attached Statement.

The Trustee has decided to implement the DC Sections' investment strategy through Aon's Delegated DC Services. Under this approach, the Trustee delegates the selection of the platform provider, available fund range and day to day management of the funds to Aon, through Aon Investments Limited.

With effect from June 2016, the investment strategy is consistent across both the LUMP and 2006 Plan sections.

1. Asset Options

The table below provides details of the funds used within the DC Sections' investment strategy and, for each fund option, indicates whether it is available as an asset allocation strategy or a self-select fund option:

Fund	Asset allocation strategy	Self-select
Asset allocation strategies		
Aon Managed Retirement Pathway Funds*	✓	✗
Aon Managed Retirement Pathway to Annuity Funds	✓	✗
Aon Managed Retirements Pathway to Cash Funds	✓	✗
Objective based funds		
Aon Managed Initial Growth Phase Fund	✗	✓
Aon Managed Diversified Asset Fund	✗	✓
Aon Managed Bond Phase Fund	✗	✓
Aon Managed Long Term Inflation Linked Fund	✗	✓
Aon Managed Pre-Retirement Bond Fund	✗	✓
Aon Managed Liquidity Fund	✗	✓
Asset class based funds		
Aon Managed Property and Infrastructure Fund	✗	✓
HSBC Islamic Global Equity Index Fund	✗	✓

*Default Option

2. Default Option and alternative asset allocation strategies

The Default Option that applies is as follows:

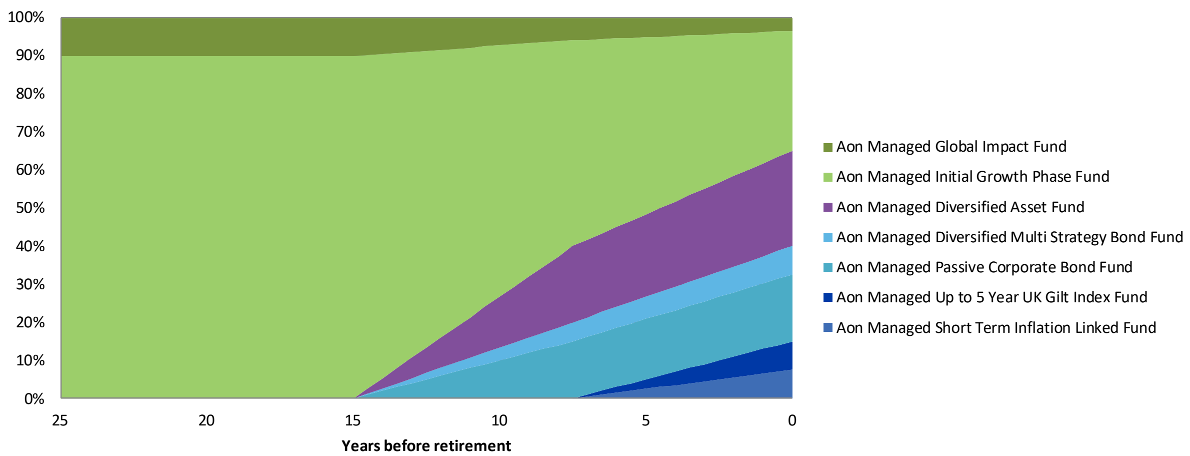
- For those members who had not already started de-risking into bonds and cash as at April 2016, the Default Option is the Aon Managed Retirement Pathway Fund series, which assumes members draw down income at retirement.
- For those members who had already started de-risking into bonds and cash as at April 2016, the Default Option is the Aon Managed Retirement Pathway to Annuity Fund series, which assumes members purchase an annuity at retirement.

The Aon Managed Retirement Pathway Fund series assume members draw down income at retirement. These are a series of target date funds; each member is invested in the relevant Retirement Pathway Fund with a target date that most closely matches their selected retirement date members. Each Retirement Pathway Fund initially invests wholly in the Aon Managed Initial Growth Phase Fund until 15 years before a member's selected retirement age. During this 'growth' phase, the Retirement Pathway Funds aim to provide real growth (in excess of inflation) over the long term.

From 15 years before a member's selected retirement age, lower risk investments are gradually introduced, including protection and income generating investments. At each Retirement Pathway Fund's target date, members' assets will be invested across a range of asset classes with the aim of providing a real income during the post-retirement phase whilst protecting the value of the investments.

The structure is summarised in the chart below:

Aon Managed Retirement Pathway Funds: underlying asset allocation



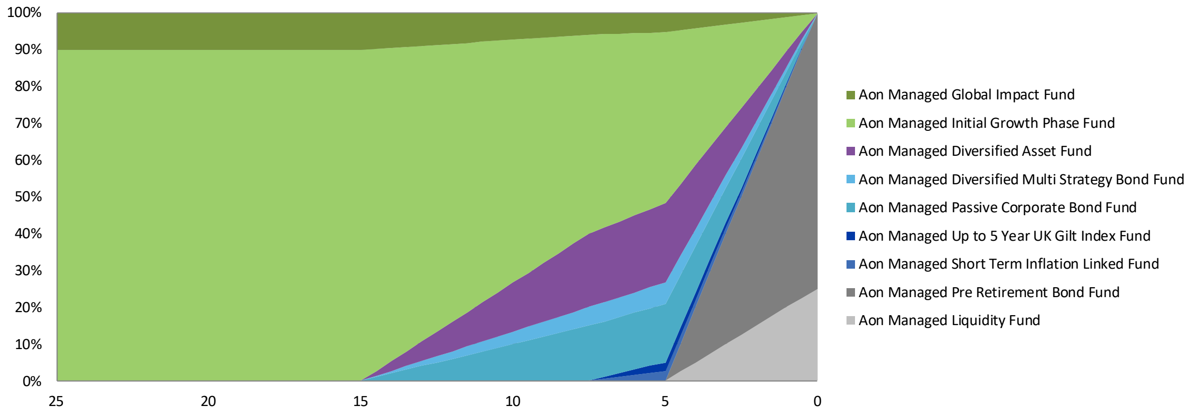
Two additional asset allocation strategies are available, alongside the Retirement Pathway Funds, which target different benefits at retirement, namely annuity purchase and cash.

The Aon Managed Retirement Pathway to Annuity Fund series works on the principle that a member electing this option will take the maximum tax-free cash sum and use the rest of their account to purchase an annuity at retirement.

Each Retirement Pathway to Annuity Fund follows the same asset allocation strategy as the Retirement Pathway Funds until five years before its target date. At this point, each Retirement Pathway to Annuity Fund is moved into lower risk assets, including annuity matching bonds and cash. At each Fund's target date, members' assets will be invested 75% in annuity matching bonds and 25% in cash, with the aim of protecting the value of the investments relative to movements in annuity prices and cash.

The structure is summarised in the chart below:

Aon Managed Retirement Pathway to Annuity Funds

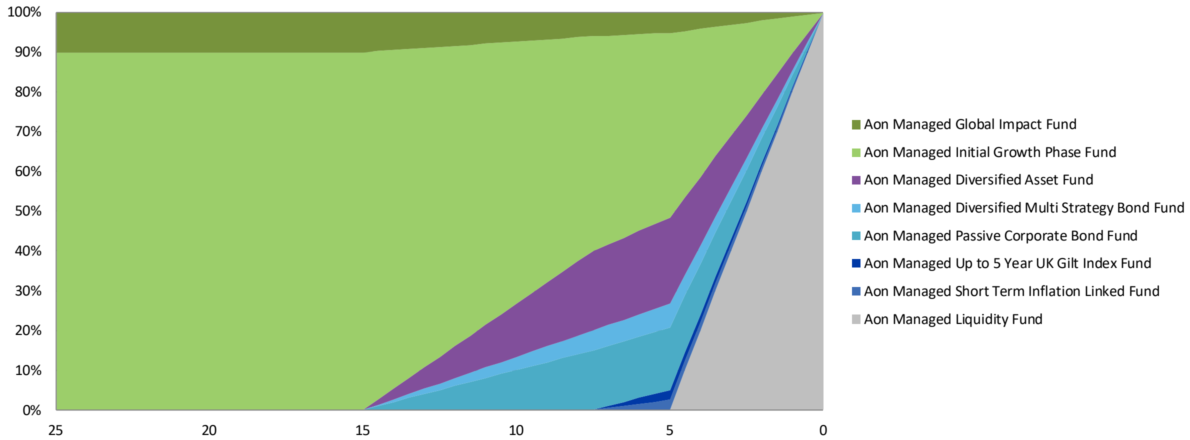


The Aon Managed Retirement Pathway to Cash Fund series works on the principle that a member electing this option will take the whole of their account as a cash lump sum at retirement

Each Retirement Pathway to Cash Fund follows the same asset allocation strategy as the Retirement Pathway Funds until five years before its target date. At this point, each Retirement Pathway to Cash Fund is moved into lower risk assets, including cash. At each Fund's target date, members' assets will be invested 100% in cash, with the aim of protecting the value of the investments relative to cash.

The structure is summarised in the chart below:

Aon Managed Retirement Pathway to Cash Funds



3. Investment Management Arrangements

The following describes the mandates given to the investment manager within each asset class.

Fund	Benchmark	Target
Aon Managed Initial Growth Phase Fund	90% MSCI All Country World Index 7% FTSE EPRA/NAREIT Developed Index 1.5% AREF/IPD UK Quarterly all Balanced Property Funds Index 1.5% FTSE Developed Core Infrastructure Index	To outperform the benchmark
Aon Managed Diversified Asset Fund	SONIA	To outperform the benchmark by 3.25% pa, gross of fees, over a rolling market cycle
Aon Managed Bond Phase Fund	50% SONIA 50% iBoxx Sterling Non-Gilts All Stocks Index	To outperform the benchmark by 1.0% pa over rolling three-year periods*
Aon Managed Long Term Inflation Linked Fund	FTSE-A Over 5 Years Index-Linked Gilts Index	To perform in line with the benchmark
Aon Managed Pre-Retirement Bond Fund	Manager bespoke	To perform in line with the benchmark
Aon Managed Liquidity Fund	SONIA	The fund aims to preserve capital and perform in line with the benchmark
Aon Managed Property and Infrastructure Fund	70% FTSE EPRA/NAREIT Developed Index 15% AREF/IPD UK Quarterly all Balanced Property Funds Index 15% FTSE Developed Core Infrastructure Index	To outperform the benchmark
HSBC Islamic Global Equity Index Fund	Dow Jones Islamic Titans 100 Index	To perform in line with the benchmark

*With effect from 30 December 2021.

4. Fee structure for advisers and manager

4.1 Advisers

The Trustee's investment advisers are paid for advice received on the basis of the time spent by the adviser. For significant areas of advice (for example large projects, such as a review of the operation of lifestyling), the Trustee will endeavour to agree a project budget.

These arrangements recognise the bespoke nature of the advice given, and that no investment decisions have been delegated to the adviser.

4.2 Investment manager

As at the date of the attached Statement, the Annual Management Charge (AMC), Additional Fund Expenses (AFE) and Total Expense Ratio (TER) that applies to each of the funds used by the DC Sections are set out in the table below. The AFEs are effective as at 31 December 2020. It should be noted that these figures will change from time to time as the underlying managers / structure of each of the funds change. The fee payable to Aon Investments Limited under Aon's Delegated DC Services for the management of the Delegated DC Funds is 0.15% pa; this is included in the AMCs and TERs shown below.

Fund	AMC % pa	AFE % pa	TER % pa
Asset allocation strategies			
Aon Managed Retirement Pathway Funds	0.31	0.03 to 0.05	0.34 to 0.36
Aon Managed Retirement Pathway to Annuity Funds	0.31	0.01 to 0.05	0.32 to 0.36
Aon Managed Retirements Pathway to Cash Funds	0.31	0.03 to 0.05	0.34 to 0.36
Objective based funds			
Aon Managed Initial Growth Phase Fund	0.26	0.05	0.31
Aon Managed Diversified Asset Fund	0.31	0.02	0.33
Aon Managed Bond Phase Fund	0.30	0.02	0.32
Aon Managed Long Term Inflation Linked Fund	0.20	0.00	0.20
Aon Managed Pre-Retirement Bond Fund	0.32	0.00	0.32
Aon Managed Liquidity Fund	0.20	0.03	0.23
Asset class based funds			
Aon Managed Property and Infrastructure Fund	0.48	0.01	0.49
HSBC Islamic Global Equity Index Fund	0.35	0.00	0.35

4.3 Fees for Administration

The cost of administration is borne by the Employer in respect of current employees. Deferred members pay their own administration costs which are deducted at source from the investment.

4.4 Payment of Investment Management charge

The investment management charges are built into the fund unit prices and hence paid by the members.

5. Legacy AVC funds

In addition, there are legacy AVC funds available in which some members have assets invested. These are as follows:

- Royal London unit linked polices; and
- Standard Life unit linked policies.

These funds are not available for members to select going forward.