Dun & Bradstreet (UK) Pension Plan

Annual Implementation Statement – for year ending 5 April 2023

1. Introduction

This document is the annual Implementation Statement ("the statement") prepared by the Trustee of the Dun & Bradstreet (UK) Pension Plan (the "Plan") covering the scheme year to 5 April 2023. The purpose of this statement is to:

- set out the extent to which, in the opinion of the Trustee, the Plan's Statement of Investment Principles ("SIP") required under section 35 of the Pensions Act 1995 has been followed during the year

- detail any reviews of the SIP the Trustee has undertaken, and any changes made to the SIP over the year as a result of the review

- describe the voting behaviour by, or on behalf of, the Trustee over the year.

A copy of this implementation statement will be made available on the Plan's website at https://dnbpensionplan.co.uk/

2. Review of, and changes to the SIP

The Trustee reviews its SIP regularly, at least every three years and after any significant change in investment policy. The SIP was last reviewed in September 2023. There were no changes to the SIP since the last update to the SIP in July 2020.

3. Adherence to the SIP

Overall the Trustee believes the policies outlined in the SIP have been adhered to during the Plan year. The remaining parts of this implementation statement set out details of how this has been achieved for the DB, DC and AVC sections. These details relate to those parts of the SIP which set out the Trustee's policies, and not those which are statements of fact.

<u>DB section</u>

Investment Managers *(SIP paragraph reference:5-12)*

The Trustee monitors its investment managers on a quarterly basis with advice from its investment consultant and on an ad-hoc basis as and when there is a significant change to an investment manager. The Trustee monitors the performance of its funds relative to each fund's objective, and any change in the approach and operations of the investment manager who manages the assets, through the reporting provided by the Plan's investment consultant.

The Trustee's policy is to meet with its investment managers periodically, where they are able to discuss any issues with and scrutinise the investment managers to ensure they are performing in line with the Plan's objectives. The Trustee met with BlackRock in July 2022 and TWIM in October 2022 during the scheme year.

The Trustee aims to provide its investment managers with the most recent version of the Plan's SIP and are asked to confirm the management of the assets is consistent with those policies relevant to the mandate in question.

The Trustees monitor the level of transaction costs across the Plan incurred by its investment managers through regular engagement with its investment managers and through MiFID II compliant cost reporting on an annual basis.

Plan objectives *(SIP paragraph reference:13)*

The Trustee's primary objective is that the Plan's assets are held to meet the Plan's liabilities as and when they fall due.

The Trustee has sought advice from the Plan's professional advisors, including the Scheme Actuary, the investment consultant and the investment managers, throughout the year to ensure that it stays on track to meet its primary objective. This includes advice given at quarterly Investment and Funding Committee ("I&FC") meetings, undertaking regular investment strategy reviews and ad-hoc advice.

Investment Strategy *(SIP paragraph reference:14-18)*

The Trustee sets its long-term asset allocation to achieve the Plan's stated objective. Following a partial buy-in of the Plan's pensioner liabilities conducted in July 2019 with Just Retirement Limited, the Trustee reviewed its journey plan objective in October 2019. During this review, the Trustee discussed incorporating the Plan's OMPS liability deficit (calculated on a Technical Provisions ("TP") basis) into the journey plan target.

In May 2023, a full investment strategy review was conducted to review the Plan's strategic asset allocation ("SAA") in conjunction with the journey plan objective. Given the nature of the buy-in asset is illiquid and unlikely to be unwound, the Trustee agreed to exclude the buy-in related assets and liabilities from the Plan's investment strategy. The Trustee also formally agreed to adopt a journey plan to reach 100% funding on a gilts flat funding basis, including the deficit arising from the OMPS liabilities on a TP basis.

The current investment strategy set to achieve the Plan's objective targets an allocation of 50% return-seeking assets and 50% matching assets, a further breakdown of the SAA is shown below:

Manager/mandate	Strategic Asset Allocation
LGIM Diversified Growth Fund	15%
TWIM Partners Fund	35%
Total return seeking assets	***50%***
BlackRock Liability Driven Investment	50%
Total matching assets	***50%***
Total	**100%**

The SAA currently adopted helps to minimise risk to the Plan by investing in a diversified range of assets and utilising liability matching investments, helping the Plan meet its long-term objective. Both TWIM and

LGIM have the discretion to invest in a wide range of underlying asset classes such as equity, credit, private markets, property, infrastructure and alternatives.

The Plan temporarily suspended rebalancing triggers for its return-seeking and liability matching assets whilst it was undertaking its investment strategy review. The Trustee monitors the Plan's asset allocation on a monthly basis to determine if rebalancing is needed. Several times throughout the Plan year rebalancing was conducted to maintain alignment with the SAA. As part of the investment strategy review undertaken in May 2023, it was agreed that the SAA would remain the same, however the rebalancing ranges would be updated to allow the Plan to hold more in return-seeking assets before rebalancing was required. The current rebalancing ranges are set to -2.5%/+5.0% of the target 50.0% allocation to return-seeking assets, i.e. 47.5%-55.0%, with the Plan rebalancing back down to 52.5% should the upper end of the rebalancing range be breached.

The Trustee regularly reviews its hedge ratio but aims to hedge a significant proportion of its liabilities to reduce the risk of the impact on the Plan's funding position of liabilities increasing due to changes in long-term interest rates and inflation expectations.

In January 2020 the Plan reviewed its liability hedging strategy and agreed to update the liability proxy that BlackRock hedges against, using updated cashflow information from the 5 April 2018 actuarial valuation. In October 2020 the Trustee agreed to increase the Plan's hedge ratio to account for the additional risk that arises from the OMPS liability deficit and approved the decision to move from the current BlackRock LDI portfolio to the managed solutions approach with BlackRock whereby they would manage the Plan's target hedge ratio on an ongoing basis.

Following the gilt crisis in September 2022, the Plan adjusted its hedge ratio target a couple of times, (first from 97.6% to 75% of gilts flat liabilities, and then subsequently to 62.5)%. These changes were made in order to maintain sufficient levels of collateral in the LDI portfolio. The Trustee ultimately increased its hedge ratio back up to a target of 70% of interest rates and inflation as a % of gilts flat liabilties. Post year end the Plan has undertaken a review of its liability proxy and intends to update the cashflows information from the 5 April 2021 actuarial valuation.

The Trustee has also mitigated some of the Plan's longevity risk via the buy-in annuity held with Just Retirement Limited in July 2019.

Using Willis Towers Watson's Asset Liability Suite ("ALS") tool, the Trustee monitors the Plan's funding position on a daily basis. If, based on market conditions, the Plan is sufficiently ahead of its journey plan it will de-risk and therefore take less risk in the future while still being expected to reach its objectives of being fully funded on a self-sufficiency (gilt flat) basis.

Liquidity *(SIP paragraph reference:19)*

The Trustee regularly monitors the Plan's liquidity and ensures that there is enough cash in the Trustee bank account to pay approximately 3 months of benefit payments at any given time. Broader Plan liquidity, measured as the amount of assets realisable in a week or less, is reported quarterly by the Plan's investment consultant. Liquidity is also a consideration that is taken into account as part of wider investment strategy decisions, such as the design of the Plan's dynamic de-risking triggers.

Following the Plan's year-end date, the Trustee reviewed its liquidity monitoring process and now includes collateral monitoring in its quarterly investment report from its investment consultant. The report includes data from the investment manager on the amount of capital available for cash calls from the LDI portfolio alongside the estimated amount of a single cash call across the entire portfolio.

Sustainable investment *(SIP paragraph reference:20-22)*

The Trustee's policy is to delegate the extent to which ESG factors and stewardship policies (including voting rights) are taken into account in the purchase, retention or sale of underlying investments to the investment managers. The Trustee questions the investment managers on their sustainable investment policies when presenting at Trustee meetings to ensure that the investment managers are carrying out their delegated responsibilities. Additionally, the Plan's investment consultant has a dedicated Sustainable Investment resource and a network of subject matter experts that the Trustee can utilise. The consideration of Sustainable Investment is embedded within the investment consultant's rating process and as a result is implicitly taken into account when monitoring managers on a quarterly basis and when considering the appointment of new investment managers.

In April 2022, the Trustee engaged an in-depth discussion on Sutainable Investment (SI) beliefs, with the help of their investment advisor (WTW). The goal of the discussion was to make progress on building out an SI framework spanning their key objectives, implications on portfolio construction, governance/monitoring and engagement. The Trustee will continue to develop their SI framework in the near future.

Other Matters *(SIP paragraph reference:24-25)*

The Trustee takes advice from its investment consultant in relation to investment risks and these are monitored on a regular basis. As part of forming and monitoring the investment strategy a number of key risks are taken into consideration over the year, including:

- Deficit risk is managed through assessing the progress of the actual development of the Plan's funding level, which is done on a monthly basis using software provided by the investment consultant that is designed to automatically track the Plan's assets and liabilities.
- Liquidity risk is monitored on a monthly and quarterly basis as set out in the Liquidity section above.
- Currency risk is managed by hedging a proportion of the overseas investments' currencies, for those overseas currencies that can be hedged efficiently. The amount of currency exposure that is hedged is left to the managers discretion. As at 31 March 2023 the LGIM Diversified Fund and TWIM Partners Fund had a net overseas currency exposure of 49.2% and 35.0% respectively. Interest rate and inflation risk is managed via the Plan's matching assets with BlackRock which aim to provide a hedge ratio of 70.0% of liabilities, reducing the risk of the Plan's funding position being impacted by the liabilities increasing due to changes in long-term interest rates and inflation expectations.
- Political risk is managed by the Plan's assets being diversified across different asset types and geographies.
- Sponsor risk is measured by receiving regular financial updates from the Principal Employer and periodic covenant assessments, it is managed through an agreed contribution and funding schedule.
- Manager risk is managed through regular monitoring of the Plan's investment managers by its investment consultant and the Trustee as set out in the Investment Managers section above.
- Buy-in insurer risk is managed by having selected a regulated insurer, reliance on the insurance regulatory regime and with appropriate termination rights which have been agreed with the insurers and written into the contracts.

The combination of these risk management levers has been important in reducing the Plan's funding level volatility over the scheme year.

<u>DC section</u>

Note: whilst this section also applies to the OMPS, certain aspects are not relevant because:

- The benefit provided by each members' fund under the OMPS is subject to a minimum 'defined benefit' equal to the amount of contracting-out benefit accrued by the member during their membership of the OMPS
- Due to the contracting-out minimum benefit, members in the OMPS do not have an investment choice in relation to their OMPS fund, which is invested in a lifestyle investment strategy that targets annuity purchase on a member's retirement (the OMPS Lifestyle 2021).

Investment Managers *(SIP paragraph reference:10)*

The Trustee monitors the DC section's investment managers every six months with advice from its investment consultant and on an ad-hoc basis as and when there is a significant change to an investment manager. The Trustee monitors the performance of the DC section's funds relative to each fund's objective, and any change in the approach and operations of the investment manager who manages the assets, each quarter through the reporting provided by Aviva, the DC section's provider.

Plan objectives and options *(SIP paragraph reference:26-27)*

The primary investment objective of the DC section is to offer members a range of investment options that accommodate different investment objectives and attitudes to investment risk.

To meet this objective, the Trustee offers a choice of:

- Four 'Lifestyle' options (one of which is the default investment strategy – see below) whereby, as a member approaches retirement, their investments are automatically switched from higher risk/higher potential return investments to lower risk investments that are aligned with how they intend to take their retirement benefits, and
- An alternative 'self-select' fund range comprising of 12 pooled investment funds that provide members with a choice of both passive and active management as well as investments in the major asset classes, including equities (both in the UK and overseas), diversified assets, UK Government gilts, corporate bonds, property and money markets.

The Trustee operates four lifestyle options, two offering a choice between a diversified or passively managed global equity investment strategy during the growth phase, which then de-risk to an investment split appropriate for a member planning to purchase an annuity on retirement and two offering the same choice during the growth phase, which then de-risk to an investment split appropriate for a member planning to take a flexible income during retirement via pension income drawdown.

The Trustee monitors the ongoing suitability and performance of all the lifestyle options and self-select fund range. Following the last full review of the lifestyle options and the self-select fund range in April 2020, the following changes were made to the four lifestyle options:

The 'diversified lifestyles'

- The names of the Diversified Lifestyle Annuity Investment Programme and the Diversified Lifestyle Drawdown Investment Programme changed to the Diversified Annuity Lifestyle 2021 and the Diversified Drawdown Lifestyle 2021 respectively.
- The Diversified Drawdown Lifestyle 2021 became the default investment strategy for new members from June 2021.
- The period over which a members investments gradually switch from global equities to diversified assets increased from 5 years to 15 years.
- The funds in which members are invested when they reach their selected retirement age changed.

The 'world equity lifestyles'

- The names of the World Equity Lifestyle Annuity Investment Programme and the World Equity Lifestyle Drawdown Investment Programme changed to the Equity Annuity Lifestyle 2021 and the Equity Drawdown Lifestyle 2021 respectively.
- The funds in which members are invested when they reach their selected retirement age changed.

The above changes took effect from June 2021.

The next review of the lifestyle options and self-select fund range will take place in 2023 and any agreed changes will be reflected in next year's statement.

Default Investment strategy *(SIP paragraph reference:28-33)*

During the year covered by this statement, the Trustee decided that the default investment strategy should provide members who do not make their own investment choices with an investment strategy that:

- Provides good prospects for growth in order to try and ensure that members achieve a good level of pension savings at retirement
- Manages the investment risks faced by members throughout their membership
- Targets a flexible secure level of income via pension income drawdown.

Accordingly, in June 2021, the Diversified Drawdown Lifestyle 2021 ("DDL") replaced the Diversified Lifestyle Annuity Investment Programme as the nominated default investment strategy for members who are auto-enrolled into the Plan.

The aims and objectives of the DDL are to provide members with:

- A higher risk investment strategy that potentially offers higher levels of growth whilst members are more than 25 years from retirement by investing in passively managed global equities
- A medium to high risk investment strategy that potentially offers good levels of growth whilst members are between 25 and 10 years from retirement by investing in a diversified investment strategy
- An investment strategy that de-risks during the 10 years immediately before a member's retirement to a mix of lower risk investments appropriate for a member who, on retirement, intends to take part of their retirement savings as a tax-free lump sum and use the balance to provide a flexible income via pension income drawdown.

The Trustee reviews the default investment strategy, including its performance, at least every three years or earlier following a significant change in investment policy or the demographic profile of the Plan's membership. The last review of the default investment option was completed in August 2023.

Sustainable investment *(SIP paragraph reference:37-38)*

The Trustee's view is that relevant ESG factors and stewardship policies should be included amongst the criteria taken into account when selecting investment funds for inclusion in the lifestyle strategy.

In addition, the Trustee's policy is to delegate the extent to which ESG factors and stewardship policies (including voting rights) are taken into account to the platform provider (in relation to the monitoring of the funds and fund managers available on its platform) and to the investment managers (in relation to the purchase, retention or sale of underlying investments).

The Trustee reviews the platform provider's and the investment managers' ESG and stewardship policies regularly to ensure that they are carrying out their delegated responsibilities. The Trustee did not undertake such a review during the year to 5 April 2023 but intends to do so before the end of the current scheme year (ending 5 April 2024) and will therefore provide further information in next year's statement.

Risk *(SIP paragraph reference:39-40)*

Under the DC section, it is the members, rather than the Principal Employer, who bear the investment risks.

The Trustee recognises specific risks faced by members when deciding how to invest their pension savings under the DC section and mitigates these by providing a suitable range of investment options for members. In particular:

- *Capital risk* – to help members protect against falls in the value of their pension savings, the Trustee provides bond and cash funds as these are expected to provide lower risk (less volatile) investment options
- *Inflation risk* – to provide members with an opportunity for their pension savings to grow at least in line with inflation, the Trustee provides both UK and overseas equity funds as well as an index-linked gilts fund as these are expected to provide real growth over the medium to long term
- *Pension conversion risk* – for those members wishing to provide a fixed, guaranteed income when they retire (through the purchase of an annuity), the Trustee provides two lifestyle strategies that target annuity purchase together with a selection of bond funds as, in general, annuity prices are linked to bond yields
- *Currency risk* – to provide some protection against movements in currency exchange rates for members selecting funds that invest in non-Sterling denominated assets, the Trustee provides a choice of funds that invest in Sterling denominated assets as well as a currency hedged global equity fund (that is also used in the default investment strategy)

In addition to the above risks, the Trustee manages 'political risk' and 'manager risk' in the same way that it manages these risks under the DB section (see earlier in this statement).

To support the above, the Trustee takes advice from its investment consultant in relation to measuring the level of risk inherent to members via the lifestyle investment strategies and self-select fund range offered to members. These were last considered by the Trustee as part of the review of the lifestyle investment strategies and self-select fund range during 2023.

Additional Voluntary Contributions ("AVC") section

The Plan provides a facility for members of the CARE section of the Plan to pay AVCs to enhance their benefit at retirement. Members are offered a range of options which are identical to those available to the DC section.

The Trustee reviews the suitability of these arrangements when considered necessary. The last review was completed during 2023.

4. Voting and engagement

For both the Plan's DB and DC sections, the Trustee has delegated the applicable day to day voting and engagement activity to its investment managers. Voting information on the Plan's bond holdings is not provided as the vast majority of loan and debt securities do not come with voting rights.

DB section

For the Plan's DB section, voting information as at 31 March 2023 for the relevant funds is provided in the table below.

DB Funds	Number of votes eligible	% of votes exercised	% of votes for	% of votes against	% abstained	Significant votes cast
LGIM Diversified Fund	99,252	99.8%	77.4%	21.9%	0.7%	LGIM provided 785 significant votes cast over the Scheme year. In determining significant votes, LGIM's Investment Stewardship team takes into account the criteria provided by the Pensions & Lifetime Savings Association (PLSA)

						guidance. This includes but is not limited to: • High profile vote which has such a degree of controversy that there is high client and/ or public scrutiny; • Significant client interest for a vote: directly communicated by clients to the Investment Stewardship team at LGIM's annual Stakeholder roundtable event, or where we note a significant increase in requests from clients on a particular vote; • Sanction vote as a result of a direct or collaborative engagement; • Vote linked to an LGIM engagement campaign, in line with LGIM Investment Stewardship's 5-year ESG priority engagement themes.
TWIM Partners Fund	25,560	92.8%	86.0%	13.5%	0.5%	TWIM provided 10 votes considered to be the most significant votes, 3 of these were against management. These related to stock ownership plan, tax transparency, audit committee election, climate change and, diversity, equity and inclusion.

DC Section

Investments in the Plan's DC section are made using pooled investment funds that are provided by the DC section's platform provider, Aviva Pensions (AP), and consequently voting rights are exercised on behalf of the Trustee by each fund's underlying investment manager. The pooled investment funds that invest in UK and overseas equities are as follows:

- The AP BlackRock (30:70) Currency Hedged Global Equity Index Tracker Fund,
- The AP BlackRock World ex-UK Equity Index Tracker Fund,
- The AP BlackRock UK Equity Index Tracker Fund,
- The D&B Global Equity Active Fund (60% Veritas Global Focus Fund and 40% MFS Global Equity Fund),
- The AP Artemis UK Special Situations Fund, and
- The AP LGIM Diversified Fund.

For the Plan's DC section, voting information for the relevant funds to the year ending 31 December 2022 is provided in the table below.

DC Funds	Number of votes eligible	% of votes exercised	% of votes for	% of votes against	% abstained
BlackRock (30:70) Currency Hedged Global Equity Index	34,161	94.2%	75.0%	23.0%	2.0%
BlackRock World ex-UK Equity Index	26,486	92.7%	67.0%	31.0%	2.0%
BlackRock UK Equity Index	10,526	99.6%	92.9%	6.1%	1.0%
Veritas Global Focus Fund	423	100.0%	88.0%	11.0%	0.0%

Schroders Life Intermediated Diversified Growth	5,374	93.0%	90.0%	9.0%	1.0%
MFS Global Equity Fund	1,398	100.0%	95.1%	4.5%	0.0%
Artemis UK Special Situations Fund	871	100.0%	99.9%	0.1%	0.0%
LGIM Diversified Fund	98,795	99.8%	77.4%	21.9%	0.7%

Examples of significant voting activity and engagement by Aviva Investors (AI) during the Plan year is provided below.

Most significant votes cast	Coverage in portfolio
Company: McDonalds Corporation **Meeting Date:** 26 May 2022 **Resolution:** Resolution 5. Report on Efforts to Reduce Plastic Use **How the manager voted:** In favour **Rationale:** Support for this proposal was warranted, as shareholders would benefit from additional information on how the company intends to reduce plastic in its business. **Outcome of the vote:** The shareholder proposal was rejected (although 41% of the votes cast were in favour of the resolution)	BlackRock (30:70) Currency Hedged Global Equity Index Tracker
Company: Credit Suisse Group AG **Meeting Date:** 29 April 2022 **Resolution:** Shareholder resolution to Amend Articles Re: Climate Change Strategy and Disclosures **How the manager voted:** In favour **Rationale:** The proponents requested that Credit Suisse Group AG adopt an additional article within its articles of association to improve the company's reporting on climate risks, such as disclosure of additional information on the strategy set to align the financing activities with the Paris agreement as well as the reduction of exposure to coal, oil, and gas assets. Support for this proposal is warranted as shareholders would benefit from additional disclosure with respect to the company's strategy set to align the financing activities with the Paris agreement as well as the reduction of exposure to coal, oil, and gas assets. This additional disclosure will allow shareholders to better assess the company's management of climate-related risk and should serve to further align the company's disclosures with it's states policies and commitments. We note that Credit Suisse recently published a new energy target and new disclosures in its TCFD report. However, the metric used by Credit Suisse to model its lending activities underplays transition risk and financial support to fossil fuel companies, as it is based on drawn amounts. Credit Suisse’s disclosures and targets also do not include capital markets activities, despite	BlackRock World ex-UK Equity Index Tracker fund

these representing ~77% of its financing to top oil and gas expanders between 2016 & 2021. The bank does not currently have plans to expand the scope of its targets and disclosures as opposed to some of its peers (e.g. HSBC). Also there are concerns as to how it assesses clients transition plans. This includes providing further information on how it assesses companies' coal transition strategies, as its policy exempts companies with a 'credible' transition plan across all of its pillars. Credit Suisse uses a Client Energy Transition Framework (CETF) to categorise clients according to their energy transition readiness. However, the CETF continues to be opaque, and its effectiveness is difficult to gauge. **Outcome of the vote:** The resolution was not approved (22.8% of the votes cast were in favour of the resolution)	
Company: Britvic **Meeting Date:** 27 January 2022 **Resolution:** Resolution 5. Re-elect John Daly as Director **How the manager voted:** Abstain **Rationale:** There is no ethnic diversity on the board and Britivic had not made a commitment at the time that it will address the issue. However, the abstention honoured the company's disclosures and commitments regarding ethnic diversity more broadly. In October, the CEO signed the Change the Race Ratio Pledge making Britvic one of the first 100 UK businesses to do so. **Outcome of the vote:** The resolution passed (99.99% of votes were cast in support)	BlackRock UK Equity Index
Company: Becton, Dickinson and Company **Meeting Date:** 25 January 2022 **Resolution:** Reduce Ownership Threshold for Shareholders to Call Special Meeting **How the manager voted:** For **Rationale:** A vote FOR this proposal is warranted as a lower threshold would enhance the current shareholder right to call special meetings. **Outcome of vote:** Proposal passed	Veritas Global Focus Fund
Company: Hormel Foods Corporation **Meeting Date:** 25 January 2022 **Resolution:** Report on Public Health Impacts of Antibiotic Use in Product Supply Chain	Schroders Life Intermediated Diversified Growth

How the manager voted: For **Rationale:** Whilst we acknowledge the Company's efforts and current practices, we believe there are gaps in the policy as it does not ban the use of antibiotics outright. We believe the Company should ban the use of all antibiotics for growth promotion and for disease prevention; as well as the use of medically important antibiotics. **Outcome of vote:** Proposal failed to pass	
Company: The Walt Disney Company **Meeting Date:** 09 March 2022 **Resolution:** Report on Gender / Racial Pay Gap **How the manager voted: In favour** **Rationale:** MFS voted in favour of the proposal, against management, as we believe that additional disclosures relating to the company's adjusted pay gap and more information on how the company is ensuring pay equity would allow shareholders the ability to compare and measure the progress of the company's ongoing diversity and inclusion initiatives. **Outcome of the vote:** The nominee received around 60% support from shareholders.	MFS Global Equity Fund
Company: NextEra Energy, Inc. **Meeting Date:** 19 May 2022 **Resolution:** Resolution 1j: Elect Director Rudy E. Schupp **How the manager voted:** Against **Rationale:** Diversity: A vote against is applied as LGIM expects a company to have at least 25% women on the board with the expectation of reaching a minimum of 30% of women on the board by 2023. We are targeting the largest companies as we believe that these should demonstrate leadership on this critical issue. Independence: A vote against is applied as LGIM expects a board to be regularly refreshed in order to maintain an appropriate mix of independence, relevant skills, experience, tenure, and background. **Outcome of the vote:** The resolution passed with 85.9% of shareholders supported the resolution.	LGIM Diversified Fund

Appendix – Fund Turnover (Trailing 12 months to December 2022)

DB Section

Fund	Turnover
LGIM Diversified	11.5%
TWIM Partners	4.0%

DC Section

Fund	Turnover (%)
LGIM Diversified	11.5%
Artemis UK Special Situations IE	61.1%
MFS Global Equity Fund	7.5%
Veritas Global Focus Fund	30.6%
Schroder Diversified Growth	84.4%
AI 30:70 Global Equity (Currency Hedged) Index Fund	-6.8%
AI Non-Gilt Bond Over 15 Years Index Fund	-1.3%
AI UK Gilts Over 15 Years Index Fund	-2.7%
AI Index-Linked Gilts Over 5 Years Index Fund	-3.2%
AI UK Equity Index Fund	1.1%
AI Developed World ex UK Equity Index Fund	-3.3%