

IMPLEMENTATION STATEMENT

The Europe Arab Bank Plc Pension Scheme

The Trustees of The Europe Arab Bank Plc Pension Scheme have prepared this implementation statement in compliance with the governance standards introduced under The Occupational Pension Schemes (Investment and Disclosure) (Amendment) Regulations 2019. Its purpose is to demonstrate how the Scheme has followed the policy on voting, stewardship and engagement as set out in the Scheme's Statement of Investment Principles (SIP), dated 19th September 2019 and as updated on the 15th September 2020. This statement covers the period 31 December 2019 to 31 December 2020.

A. Voting and Engagement Policy

The policy as set out in the SIP in respect of voting, stewardship and engagement is in summary as follows:

- i. Voting decisions on stocks are delegated to the investment manager of the pooled funds held by the Scheme.
- ii. SEI, the Fund's Fiduciary Manager, or the investment manager of a third party pooled fund, has full discretion for undertaking engagement activities in respect of the investments.
- iii. Where the investment manager is SEI, they have pooled their holdings in their funds with other investors and employed a specialist ESG provider for voting and engagement services.
- iv. SEI will report on voting and engagement activity to the Trustees on a periodic basis together with its adherence to the UK Stewardship Code. The Trustees will consider whether the approach taken was appropriate or whether an alternative approach is necessary.
- v. The SIP dated 15th September 2020 set out new policies in respect of asset manager arrangements. In relation to voting, stewardship and engagement, a policy was introduced that the Trustee will assess the Fiduciary Manager's performance against objectives annually including how well the Fiduciary Manager is aligned with the SIP in terms of ESG factors. No other changes were made to the voting, stewardship and engagement policies.

The Trustees are of the opinion that this policy has been followed during the year. In particular:

- The Trustees have received quarterly reports from SEI that set out:
 - How SEI has voted on all the shares where SEI has voting rights including number of votes for, against and abstentions. For votes against, details of the issue to which the vote relate is provided.
 - SEI's engagement priorities which for 2020 included priorities in each of the following categories:
 - Climate Change
 - Public Health
 - Environmental stewardship
 - Labour Standards

- The number of companies engaged and the number of milestones achieved by engagement issue and a rating of its significance.
- The Trustees have considered SEI's voting practices and stewardship policies noting that they are a Tier 1 signatory to the UK Stewardship code and a signatory to the UN Principles for Responsible Investment.
- The Trustees have a process in place to review SEI's performance against objectives, including ESG factors

In light of the above and otherwise, the Trustees have considered their policy in regard to voting and stewardship and concluded that:

- SEI's voting and stewardship policies and implementation remain aligned with the Trustee's views on these matters.
- The current policy is appropriate and no further action is required.

B. Voting Record

All underlying securities in pooled funds that have voting rights are managed by SEI with SEI having the legal right to the underlying votes. SEI in turn use a Specialist ESG Provider as a proxy for voting and provide the Specialist provider with the holdings across all SEI's pooled funds. During the period from 31 December 2019 to 31 December 2020, across the Scheme's holdings¹ SEI voted as follows:

Fund Name	Global Managed Volatility	Global Select Equity	US Small Cap	Growth Fund
ISIN	IE00B19H3542	IE00B8FH1426	IE0034296800	IE00B614TP06
Number of Votable Meetings	609	523	363	5253
Number of Votable Items	7975	8864	3491	72680
% of Items Voted	98%	97%	100%	96%
For	74%	79%	72%	79%
Against	22%	19%	20%	18%
Abstain/ Withheld/ Other	4%	1%	8%	3%
% of votes with management	75%	80%	73%	80%
% of votes against management	25%	20%	27%	20%
Voting Against/Abstain by Category				
Capital Related	4%	4%	0%	5%
Board/Directors/Governance	53%	43%	41%	48%
Remuneration Related	23%	29%	41%	27%
Shareholder Proposals	6%	9%	2%	6%
Other	14%	15%	16%	13%

¹ SEI has shown voting data for the relevant quarters the fund was invested in.

Fund Name	UK Fundamental Equity	UK Quantitative Equity	Pan Euro Small Cap	Dynamic Asset Allocation	Emerging Markets Equity
ISIN	IE00B3KF4Q98	IE00B3KF5336	IE0033306527	IE00B5NNKL10	IE0002515637
Number of Votable Meetings	53	213	265	762	621
Number of Votable Items	1010	3739	4025	14892	5617
% of Items Voted	93%	100%	75%	96%	99%
For	93%	95%	86%	79%	78%
Against	6%	4%	14%	18%	17%
Abstain/ Withheld/ Other	1%	0%	0%	2%	4%
% of votes with management	93%	96%	87%	80%	83%
% of votes against management	7%	4%	13%	19%	17%
Voting Against/Abstain by Category					
Capital Related	8%	0%	11%	4%	13%
Board/Directors/Governance	26%	33%	30%	44%	50%
Remuneration Related	48%	49%	43%	29%	15%
Shareholder Proposals	0%	4%	3%	8%	3%
Other	18%	14%	12%	14%	19%

C. Significant Votes

A highlight of some of the significant votes during the period are shown in the table below. Whilst many votes may have significant impact on the financial or non-financial performance of a company, the ones below have been drawn out as they are part of wider engagement that SEI has been conducting with the particular company and hence reflect the achievement of an engagement milestone.

Company Name	Held in Fund(s)	Theme	Description
Kellogg Company	Global Managed Volatility Global Select Equity	Corporate Governance	Introduced annual election of directors (instead of staggered or classified election) through our voting.
Intel	Global Managed Volatility Global Select Equity	Labour Standards	Voted against a report on Global Median Gender/ Racial Pay Gap. While SEI are overall supportive of enhanced diversity and pay equity disclosure, SEI consider that a 'global median gender/racial pay gap' report would not produce meaningful information about the worker fairness because categories or underrepresented minorities differ from country to country.

Kroger co	Global Managed Volatility Global Select Equity	Human Rights	Although the Management recommendation was Against the proposal, SEI voted For the report on Human Rights Due Diligence Process in Operations and Supply Chain. The company faces risks related to human rights in its global operations. Good practice includes developing a clear code of practice along with monitoring and effective disclosure to ensure risks are managed effectively and communicated to shareholders.
Diversified Healthcare Trust	US Small Companies	Corporate Governance	Introduced annual election of directors by declassifying the board. The annual election of directors provides greater board accountability to shareholders. SEI pushed for declassification through our voting.
Industrial Logistics Properties Trust	US Small Companies	Corporate Governance	Introduced annual election of directors by declassifying the board. The annual election of directors provides greater board accountability to shareholders. SEI pushed for declassification through their voting.
Service Properties Trust	US Small Companies	Corporate Governance	Introduced annual election of directors by declassifying the board. The annual election of directors provides greater board accountability to shareholders. SEI pushed for declassification through their voting.
Vistra Energy Corp	US Small Companies	Corporate Governance	Introduced annual election of directors by declassifying the board. The annual election of directors provides greater board accountability to shareholders. SEI pushed for declassification through their voting.
Marathon Petroleum Corp	Growth Fund	Corporate Governance	Introduced annual election of directors by declassifying the board. The annual election of directors provides greater board accountability to shareholders. SEI pushed for declassification through their voting.
Citizens Financial Group Inc	Growth Fund	Corporate Governance	Enhanced shareholder rights by giving shareholders the right to call a special meeting. Previously shareholders did not have the ability to do so. SEI advocated for this change through our votes at shareholders' meeting.
South State Corp	Growth Fund	Corporate Governance	Introduced annual election of directors by declassifying the board. The annual election of directors provides greater board accountability to shareholders.