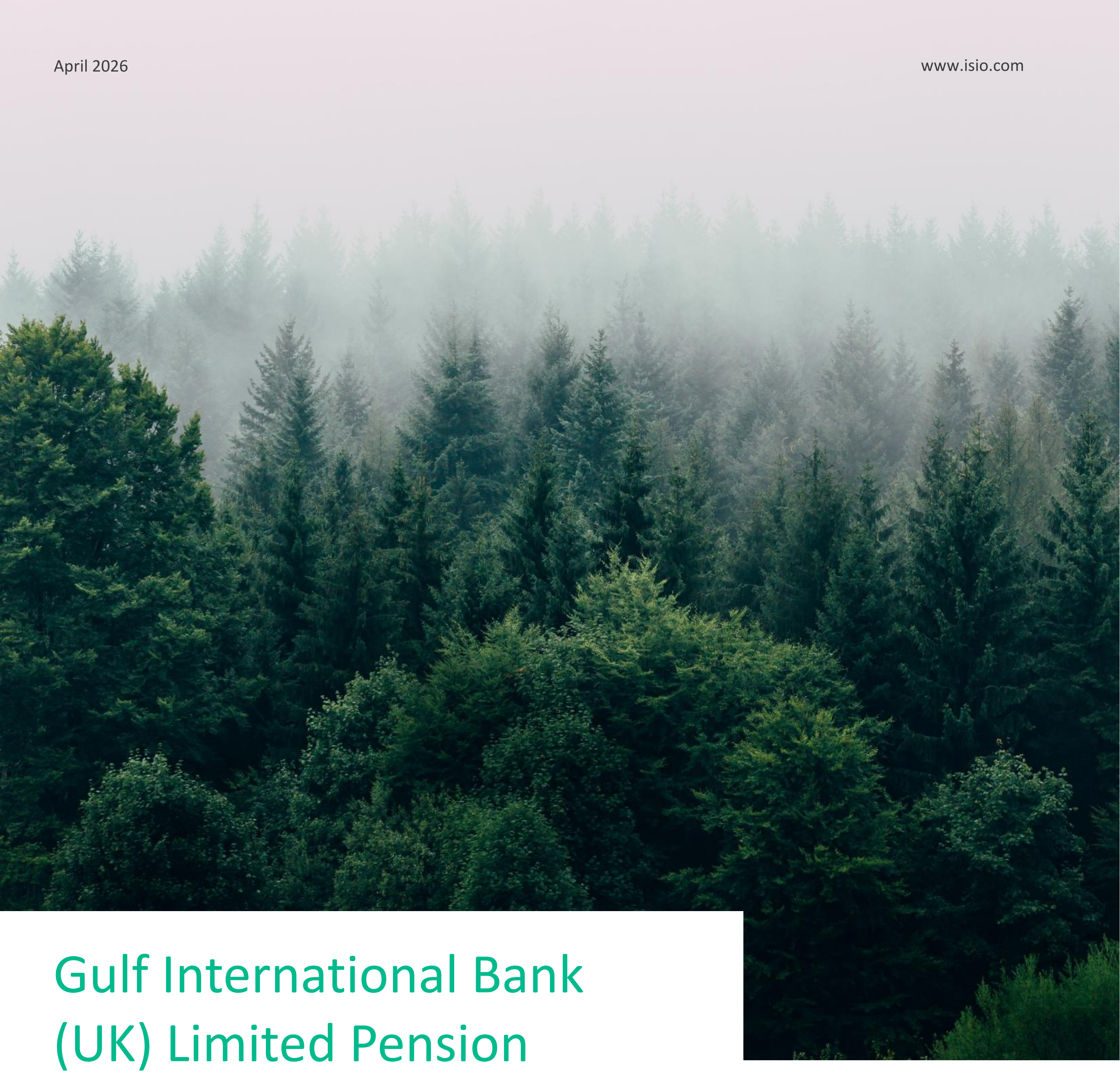

Gulf International Bank (UK) Limited Pension Scheme

Implementation Statement

April 2026

Background and Implementation Statement

Background

The regulatory landscape continues to evolve as ESG becomes increasingly important to regulators and society. The Department for Work and Pensions (‘DWP’) has increased the focus around ESG policies and stewardship activities by issuing further regulatory guidance relating to voting and engagement policies and activities. These regulatory changes recognise the importance of managing ESG factors as part of a Trustees’ fiduciary duty.

Implementation Statement

This implementation report is to provide evidence that the Scheme continues to follow and act on the principles outlined in the SIP.

The SIP can be found online at the web address https://gib-am.files.svdcdn.com/production/documents/Governance/Statement-of-Investment-Principles.pdf?dm=1738843320 changes to the SIP are detailed on the following page.

The Implementation Statement details:

- actions the Scheme has taken to manage financially material risks and implement the key policies in its SIP
- the current policy and approach with regards to ESG and the actions taken with managers on managing ESG risks
- the extent to which the Scheme has followed policies on engagement covering engagement actions with its fund managers and in turn the engagement activity of the fund managers with the companies in the investment mandate
- voting behaviour covering the reporting year up to 31 December 2025 for and on behalf of the Scheme including the most significant votes cast by the Scheme or on its behalf

Summary of key actions undertaken over the Scheme reporting year

- No significant actions to report over 2025 following the purchase of a full Scheme buy-in insurance policy in December 2024 with M&G plc (“M&G”), which covers the entirety of the Scheme’s liabilities.
- The Schroders Capital UK Real Estate Fund proceeds (c.£8.1m) were received in September 2025. These holdings were retained in the Trustee bank account.

Implementation Statement

- This report demonstrates that Gulf International Bank (UK) Limited Pension Scheme has adhered to its investment principles and its policies for managing financially material consideration including ESG factors and climate change.

Signed

Position

Date

Managing risks and policy actions DB

Risk / Policy	Definition	Approach	Mitigation
Mismatch	The risk of a significant difference in the sensitivity of asset and liability values to changes in financial and demographic factors ("mismatching risk").	Prior to the buy-in transaction, the policy was to hedge 95% of the Scheme's interest rate and inflation risk on a Solvency basis.	The buy-in policy removes this risk.
Cashflow	The risk of a shortfall of liquid assets relative to the Scheme's immediate liabilities ("cash flow risk").	The Trustees and their advisers will manage the Scheme's cash flows taking into account the timing of future payments in order to minimise the probability that this occurs.	The buy-in policy removes this risk.
Manager	The failure by the fund manager to achieve the rate of investment return assumed by the Trustees ("manager risk").	This risk is considered by the Trustees and their advisers both upon the initial appointment of the fund manager and on an ongoing basis thereafter.	The buy-in policy broadly removes this risk given that surplus assets will be held in cash-like investments.
Lack of diversification	The failure to spread investment risk ("risk of lack of diversification").	The Trustees and their advisers considered this risk when setting the Scheme's investment strategy.	Given the nature of the buy-in, diversification is not a relevant consideration.
Covenant	The possibility of failure of the Scheme's Sponsoring Employer ("covenant risk").	The Trustees and their advisers considered this risk when setting investment strategy and consulted with the Sponsoring Employer as to the suitability of the proposed strategy.	The Scheme can now rely on the insurer covenant and wider protections in the UK insurance regulatory regime (although the sponsoring company's covenant is still relevant over the period until any buyout)
Operational	The risk of fraud, poor advice or acts of negligence ("operational risk").	The Trustees have sought to minimise such risk by ensuring that all advisers and third- party service providers are suitably qualified and experienced, and that suitable liability and compensation clauses are included in all contracts for professional services received.	Given the heavily regulated nature of the bulk annuity market, this risk is mostly removed from the Scheme.
Environmental, Social and Governance	Exposure to Environmental, Social and Governance factors, which can impact the performance of the Scheme's investments.	To take advice from investment adviser when setting Scheme assets allocation, selection of managers and ongoing monitoring; and to delegate to the investment manager the consideration of ESG factors in	Given the nature of the buy-in policy it is not possible to actively monitor any ESG criteria. However, the buy-in provider's approach to ESG risk was reviewed as

		determining the appropriate holdings within their portfolios.	part of the provider selection process.
Climate	The risk of 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.	To take advice from investment adviser when setting Scheme assets allocation, selection of managers and ongoing monitoring; and to delegate to the investment manager the consideration of ESG factors in determining the appropriate holdings within their portfolios.	Given the nature of the buy-in policy it is not possible to actively monitor any ESG criteria. However, the buy-in provider's approach to climate risk was reviewed as part of the provider selection process.

Changes to the SIP and implementing the current ESG policy

The SIP was last updated in December 2024 to reflect the purchase in that same month of the buy-in policy covering the Scheme's liabilities.

The policies in the SIP have been considered in the context of the purchase of the buy-in policy, including those around ESG. The main mitigations, as set out in the prior section, detail the impact of the change in investment strategy on the Scheme's main risks.

The Trustees acknowledge the importance of ESG factors and climate change and note that, as the majority of the assets are invested in the buy-in policy, there is limited scope for the Trustees to incorporate ESG into the Scheme's investment strategy.

Voting and engagement

The Scheme's assets are predominantly held within a buy-in policy.

Voting

Voting activity was requested from Lansdowne with the fund specific voting data included below. However, the investment manager was unable to provide detail on the voting activity undertaken. Voting rights are not applicable to the other mandate.

Fund name	Voting summary	Examples of significant votes
Lansdowne Developed Markets Strategic Investment Fund	Votable proposals: 3 Proposals voted: 3 Votes with management: 3 Votes against management: 0 Votes abstained: 0	Lansdowne were unable to provide examples of voting.

Engagement

The Scheme's fund managers have provided details on their engagement actions including a summary of the engagements by category for the 12 month period to 31 December 2025.

Fund name	Engagement summary	Commentary
Insight ILF Plus Fund	Total Engagements: 22 Environmental: 16 Social: 7 Governance: 4 Other: 42 Please note that the sum of the above categories is greater than the number of total engagements, as some engagements covered more than one ESG area.	An example of significant engagement includes: **HSBC Holdings -** Insight engaged with HSBC regarding recent organisational and policy changes related to ESG and climate strategy. They sought clarification on the decision to remove the Chief Sustainability Officer (CSO) role from the executive committee. HSBC explained that the CSO position has been moved into a larger function intended to increase visibility, and confirmed that ESG matters continue to receive board-level oversight through a dedicated sub-committee. Insight will continue to monitor further announcements from HSBC. Any signs of declining ESG ambition will be escalated to the Counterparty Credit Committee for consideration of next steps.
Lansdowne Developed Markets	Total Engagements: 525	An example of significant engagement includes: **Delta Airlines -** Lansdowne engaged with Delta regarding its sustainable aviation fuel (SAF) strategy

Strategic Investment Fund	Lansdowne noted the following: Please note that we do not collate our engagement data in these categories, primarily because our most significant engagements will touch on multiple topics across ESG. We deemed approximately 149 out of 525 engagements to be significant, by which the Developed Markets Long Only Team held meaningful ESG discussions with companies around short term issues and long term strategic objectives. Of these 149 engagements, 32% involved discussion on Governance topics, 76% on Social topics and 35% on Environmental topics.	and broader decarbonisation approach. Delta has set targets for a 10% SAF blend by 2030 and 20% by 2035, requiring around 400 million gallons by 2030. In 2024, it sourced approximately 13 million gallons of SAF and has committed to purchasing a further 200 million gallons for future use. Delta previously relied heavily on carbon offsets to support its “carbon neutral” claims, which resulted in legal scrutiny. This has driven a strategic shift towards operational decarbonisation, with greater emphasis on SAF and more limited use of offsets. Engagement priorities included encouraging Delta to scale multi-year SAF offtake agreements (favouring advanced feedstocks and transparent supply chains), promoting the use of high-integrity offsets with clear plans to phase them down, requesting improved disclosure on progress against SAF targets, and supporting initiatives that enable corporate customers to share SAF costs and accelerate uptake.