

Shareholder Engagement Statement

Barclays Private Bank offers Discretionary Portfolio Management (DPM) services from Barclays Bank PLC, Jersey Branch.

When providing DPM services in Jersey from Barclays Bank PLC, Jersey Branch, we typically manage our clients' wealth according to three overarching principles: investing in high quality assets which we typically hold for a very long period of time, following an active, high conviction investment philosophy and investing primarily in direct equities and bonds where possible. This approach, combined with low turnover, keeps the ongoing costs of the portfolio low.

Our aim is to achieve long term capital growth. We use a fundamental bottom-up approach to provide a short list of high-quality businesses with a coherent long-term strategy which are well financed and cash generative. Where appropriate, this research may include engagement with company management or investor relations teams to better understand their businesses, potentially including their approach to environmental, social and governance (ESG) issues. For third-party funds in our Sustainable strategies, we will assess the ESG integration and sustainability credentials to determine whether the fund is included within the strategies' allocation to Sustainable Investments. We aim to hold funds in the Sustainable strategies that are screened for material conflict with the UN Sustainable Development Goals (UN SDGs) (this includes those held for diversification purposes which do not address sustainability considerations).

This statement provides our approach with regard to each requirement as set out under Article 3g of the European Shareholder Rights Directive II ("SRD II") as implemented in the FCA Handbook at COBS 2.2B.

SRD II aims to promote effective stewardship and long-term investment decision-making via the enhancement of the transparency of shareholder engagement policies and investment strategies across the institutional investment community. Please see below the specific requirements that Article 3g of the SRD II outlines with regard to shareholder engagement within an investment strategy and our current approach for each:

Integrate shareholder engagement in investment strategies

- Where direct stocks are selected, we may engage with management or investor relations of investee companies. Where any material issues occur, either financial or non-financial, we would review the investment thesis to see if this has affected our investment rationale.

- Where we invest in third-party funds, we undertake due diligence on those third-party managers and consider the nature and purpose of the shareholder engagement that may be undertaken. We may engage with the third-party fund managers on matters relating to environmental, social and corporate governance developments; enhancements or clarifications to company analysis or process improvements.

Monitor investee companies on their strategy, capital structure, financial and non-financial performance and risk:

- Where direct stocks are selected, analysis is carried out on these companies including the financial and non-financial performance, risk, capital structure and corporate strategy. We use a wide variety of sources including company meetings, company reporting, broker research, industry reports and in-house research. We also have access to specialist research covering environmental, social and governance matters.
- For third-party funds, where applicable, we rely on the third-party fund managers to effectively execute their Responsible Investing activities to ensure they apply best practice standards of stewardship. We may use third-party ESG data providers to help with the ongoing monitoring.

Monitor investee companies on social and environmental impact and corporate governance:

- We are committed to integrating ESG factors into our investment process.
- Where direct stocks are selected, our portfolio managers have access to third-party data providers for ESG issues and this is the main tool for monitoring these risks. Where our portfolio managers meet with company management, ESG issues will be discussed if relevant.
- Where we appoint third party managers, we do expect them to consider ESG factors within their investment process. Examples might be whether a fund manager has a view on whether an investee company has a well-structured board, suitable labour relations or pollution controls. Furthermore, we seek to understand a manager's awareness and incorporation of ESG considerations when constructing their investment philosophy and applying it. We expect all managers to be engaged with the management of their holdings on these topics in an effort to understand how their activities could impact on the sustainability and profitability of the business.

We believe that incorporating ESG considerations in a manager's approach is likely to reduce risk.

- Our Sustainable strategies seek to invest in entities that provide products and services to support the shift to a more sustainable economy. The strategies integrate a three-stage sustainability assessment process in order to determine whether an asset should be considered a sustainable investment, and its inclusion within the portfolio.

Conduct dialogues and communicates with relevant stakeholders of the investee companies:

Stewardship through engagement and voting is an important part of our approach to Responsible Investing. As part of our commitment to being a Responsible Investor, we undertake engagement and voting for our direct equity and fixed income holdings in partnership with our stewardship services provider, EOS at Federated Hermes (EOS).

We view engagement and voting as an important mechanism through which to hold management to account, and act as a lever to promote change in investee companies on material ESG issues where appropriate. We believe that companies that can better manage material ESG issues could be less prone to severe incidents, such as fraud, litigation or reputational issues.

Through our partnership with EOS, we seek to highlight key ESG issues of concern, that we believe are material to the portfolio companies related to our direct fixed income and equity holdings. We monitor material ESG issues for investee companies that EOS engages on our behalf.

For third-party funds, we may engage with the third-party managers on matters relating to environmental, social and corporate governance developments; enhancements or clarifications to company analysis or process improvements.

Exercising voting rights and other rights attached to shares, cooperation with other shareholders and management of actual and potential conflicts of interests in relation to the firm's engagement:

- Our partner, EOS, is a stewardship leader that helps long-term institutional investors around the world to meet their fiduciary responsibilities and become active owners of public companies. We believe that pooling the resources of other like-minded investors creates a strong and representative shareholder voice and makes company engagement more effective. Voting forms an integral part of our overall stewardship strategy and is used as a tactical tool to achieve the desired change on ESG issues. For our direct equity holdings, we use our rights as shareholders to seek and to drive our desired changes. Our equity portfolio managers are ultimately responsible for making voting decisions.
- Where we do exercise our discretion to vote for or against a particular proposal or cooperate with other shareholders, it will be in a manner consistent with its relevant investors' best interests and when not in violation of anti-trust or any other laws or Barclays policies. Any actual or potential conflict of interests that may arise would be managed in line with the documented Barclays Group-Wide Conflicts of Interest Management Standard, which is updated on an annual basis. All employees are expected to adhere to the Group-wide Standard and receive training on this. Each division maintains a register of conflicts of interest, which is updated regularly.

Barclays Private Bank operating in Jersey will update this statement on its website on at least an annual basis.

You can get this item in Braille, large print or audio by contacting us to advise us of your requirements.

Barclays offers private and overseas banking, credit and investment solutions to its clients through Barclays Bank PLC and its subsidiary companies. Barclays Bank PLC is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority (Financial Services Register No.122702) and is a member of the London Stock Exchange and NEX. Registered in England. Registered No.1026167. Registered Office: 1 Churchill Place, London E14 5HP. Barclays Bank PLC, Jersey Branch has its principal business address in Jersey at 13 Library Place, St Helier, Jersey and is regulated by the Jersey Financial Services Commission.