

HSBC Globetrotter Retirement Benefits Plan

**Annual Implementation
Statement – Plan year
ending 31 December 2025**

Section 1: Introduction

This document is the Annual Implementation Statement (“the statement”) in relation to the HSBC Globetrotter Retirement Benefits Plan (“the Plan”). It has been prepared by the Trustee and covers the Plan year ending 31 December 2025 (“the year”).

Purpose of this statement

The purpose of this statement is to set out:

- Any review and changes made to the Statement of Investment Principles (“SIP”) over the year and when these changes were made (see Section 2);
- Details of how and the extent to which, in the opinion of the Trustee, the Trustee’s policies (as set out in the SIP) have been followed during the year (see Section 3); and
- A description of voting behaviour by, or on behalf of, the Trustee (including the most significant votes made by or on behalf of the Trustee) and any use of a proxy voter during the year (see Section 4).

A copy of this statement will be posted on the Plan’s website at: <https://www.zioinfosite.com/en/hsbc2020>. The latest version of the Plan’s SIP can also be found there too, and this statement should be read alongside the SIP.

The Trustee confirms that the investments which the Plan holds were chosen in line with the requirements of s36 of the Pensions Act 1995.

Overall, the Trustee believes that the policies and principles outlined in the SIP have been followed over the Plan year.

The Trustee will continue to monitor the investment managers’ stewardship practices on an ongoing basis.

Section 2: Review and changes to the SIP

The SIP is a legally required document prepared by the Trustee having consulted with the Plan's sponsoring employer. The SIP sets out the principles the Trustee follows in order to provide a suitable range of investment funds for the Plan's members. The SIP in place for the majority of the Plan year was adopted by the Trustee on 30 September 2024.

However, it was been reviewed and updated just outside of the Scheme year with a revised SIP being published in January 2026. Changes were made to reflect the change in allocation to illiquid assets in the LGIM Diversified Fund and to amend the self-select range following changes made by the Trustee in conjunction with the Plan's investment advisors.

Section 3: The Statement of Investment Principles

The table outlines the policies in the SIP (dated 30 September 2024) for the Plan and explains how these have been implemented for the Plan year ending 31 December 2024.

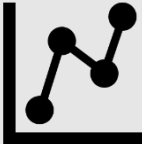
	Policy	In the year to 31 December 2025
Investment objectives 	The following encapsulates the Trustee's objectives: - To provide a range of investment funds that should enable members to tailor their own investment strategy to meet their own individual retirement needs and risk and return requirements. - To offer funds which facilitate diversification and long-term capital growth. - To offer funds that enable members to reduce risk in their investments as they approach retirement. - To provide a default investment option for members who do not make their own investment decisions or would prefer using an investment strategy designed by the Trustee rather than setting their own investment strategy from the self-select menu. A lifestyle option has therefore been designed to consider membership demographics and risk tolerance as this changes throughout a member's time in the Plan. - A second default fund – the LGIM Diversified Fund (GBP) – was created in December 2021 through the mapping of member balances from a legacy diversified growth fund. The objective of the LGIM Diversified Fund	Based on the Plan's investments as at 31 December 2025, the Trustee believes the objectives for the Plan and in respect of the investments in the default arrangement have been met over the Plan year in line with the policies set out in the SIP. The Trustee believes that an appropriate range of investment funds are offered to enable plan members to tailor their investment strategy to their retirement needs. The funds are offered across major asset classes to allow diversification and enable members to tailor to their individual risk/return preferences. The Plan offers a default lifestyle to plan members who prefer not to make their own investment decisions. The lifestyle design provides the following characteristics: - Full exposure to global equities (developed and emerging markets) for younger members, when they have a stronger risk tolerance and therefore can better tolerate volatility; - Introduction of a multi-asset fund in the accumulation phase to reduce volatility as members get closer to retirement and start to need more capital protection; - Using a combination of cash and diversifying assets at retirement that will provide capital protection and some exposure to investment growth to members when they reach retirement. As part of the review of the Plan membership in 2020, it was agreed that following the Pension Freedoms most members are likely to wish to either drawdown their savings progressively and/or

Policy		In the year to 31 December 2025
Investment strategy 	(GBP) is to achieve long-term capital growth with lower risk than investing in global equities.	target a cash lump sum at retirement rather than targeting an annuity purchase.
	The Trustee aims to provide members with a reasonable degree of freedom over the investment policy of their account. This allows members to tailor their own investment strategy in line with their own preferences and/or individual needs. The range of funds is across the major asset classes, and the differing characteristics of the asset classes ensures that members have broad access to market returns which cater for the evolving risks members face, including both active and passively managed options.	The Trustee believes that the investment objectives above have been met over the Plan year. The Trustee believes that a suitable range of funds has been offered to members over the Plan year. The range of funds is offered across major asset classes, including a multi-asset fund which enables members to access a range of asset classes within a single fund solution. The funds available are expected to provide an investment return relative to an appropriate level of risk and the Trustee believes that the range of funds offered provide the range of returns suitable for the membership as a whole. The investment options available to members cover asset classes such as equities, diversified assets, real estate, bonds and cash. These asset classes offer differing levels of risk and return characteristics to suit member needs. Within the Plan, members' accounts are held in funds which can be realised to provide pension benefits on retirement, or earlier on transfer to another pension arrangement.
Diversification 	The Trustee believes that the range of funds offers adequate diversification and is appropriate for the Plan given there is a wide range of fund options that show internal diversification and meet different member needs (e.g. by offering a range of growth seeking, mixed-asset and capital protection asset classes). The Trustee has taken advice from its Investment Consultant to ensure the investment options are suitable and will regularly review the suitability of the funds. From time to time the Trustee may change the investment managers or investment options, where appropriate.	The range of investment options is diversified from an asset class perspective and each investment fund is diversified at a security level. All investments are pooled funds; therefore, security selection decisions are delegated to the investment managers. The default lifestyle strategy provides a well diversified portfolio at different stages of members' retirement journey, investing in developed and emerging market equities, a multi-asset fund and cash at different stages of the lifestyle. The inclusion of the multi-asset fund helps members gain exposure to alternative asset classes and reduce volatility relative to equities as they get closer to retirement.

Policy	In the year to 31 December 2025
	The Plan's self-select range also offers a multi-asset fund and a wide range of options that members can use to build a diversified portfolio according to their needs. The Trustee receives written advice from the Investment Consultant on the suitability of the investment options available to members as part of the triennial investment strategy review process and continues to review the suitability of funds on an ongoing basis as part of its semi-annual reporting. Additionally, the Plan receives updates from its Investment Consultant's manager research team with notable updates on managers and any changes of investment rating. During the Scheme year, the range of fund options offered to members was reviewed, with the introduction of a real estate index fund and changes to the global bond fund options undertaken in Q4.
Risk management  The Trustee recognises a range of specific investment risks with reference to the Plan's arrangements which are summarised in the SIP.	The Trustee monitors and manages these risks through: • The regular reporting received by its Investment Consultant and platform provider; • The lifestyle strategy offered to members, which is designed to help members address different investment risks they face throughout their retirement journey; • The range of self-select options offered, which enable members to consider the risks that are most relevant to them and to invest to mitigate these. The Trustee considers that the balance of investments held and the approach to managing risk is in the best interests of members to help them manage the range of risks applicable to their circumstances, but recognising that it is not possible to mitigate all of these risks at the same time. For members invested in the lifestyle strategy, the Trustee considers that the design of the glidepath is appropriate for managing risk over the member journey to retirement.

	Policy	In the year to 31 December 2025
Environment, Social and Governance (ESG) factors and stewardship 	The Trustee recognises that sustainable investment factors, such as (but not limited to) environmental (including climate change related risks) social and governance (ESG) matters are financially material over the long-term. The Trustee has delegated the responsibility for the selection, retention and realisation of investments to the investment managers Non-financial ESG considerations are also reflected in the investment strategy. Through surveying the membership, it is clear the members view these matters as important. These views are taken into consideration in the self-select fund range. The Trustee expects the Plan's investment managers to have effective stewardship, both through voting and engagement. The Trustee delegates the responsibility for the stewardship activities attaching to the investments to the Plan's investment managers. Annually, the Plan's investment managers are requested to provide information to the Trustee including voting policies, voting statistics and most significant votes on behalf of the Trustee. Investment managers are asked to define which criteria has been assessed to choose the most significant votes. When considering the appointment of a new investment manager (via the Fund Provider), the Trustee, with input from the Plan's Investment Consultant, will consider the manager's approach to stewardship as one of the selection criteria, where relevant.	The Trustee's view is that ESG factors can have a significant impact on investment returns, particularly over the long-term. As a result, the Trustee believes that the incorporation of ESG factors is in the best long-term financial impacts of its members. The responsibility for the selection, retention and realisation of securities has been delegated by the Trustee to the investment managers, including the consideration of ESG issues. Whilst ultimately the Trustee's responsibility, the Trustee delegates the implementation of stewardship activities (including voting rights and engagement activities) to the investment managers. The Trustee monitors the investment managers' approach to sustainable investment through research from its investment consultant, which considers the integration of ESG factors in the investment process and stewardship capabilities. The Trustee integrates ESG considerations into its selection of the fund range. ESG considerations in the investment process and stewardship capabilities are considered as part of assessing possible changes to the investment strategy. As an example, the new bond fund option introduced by the Trustee during the Scheme year includes an ESG screened portfolio. The Trustee will further consider the ongoing monitoring of the sustainable investment considerations and stewardship practices of the Plan's investment managers.

	Policy	In the year to 31 December 2025
Relationship with investment managers 	The Trustee ensures that, in aggregate, the investment options are consistent with the policies set out in the SIP. For most of the investment options, the Trustee expects the investment managers to invest with a medium to long time horizon, and the Trustee appoints its investment managers with an expectation of a long-term partnership. The Trustee reviews the costs incurred in managing the Plan's assets on at least an annual basis. The Trustee will select or deselect investment managers (via the Fund Provider's investment platform) based on the Trustee's view of the investment managers' ability to achieve performance objectives. In making this assessment, the Trustee will consider a number of qualitative and quantitative factors, as well as the views of the Investment Consultant.	At the close of the Plan year, the current SIP (dated January 2026) was sent to all the Plan's current investment managers, who were asked to highlight if there is any misalignment between the Trustee's policies and how they manage the Plan's assets. No concerns were raised by any managers. With the exception of LGIM, PIMCO and JPM, all of the Plan's investment managers confirmed that there is no misalignment between their management of assets and the policies in the SIP as relevant to the fund in question. LGIM provided supporting information on their own policies in response to the request rather than explicitly providing this confirmation, whilst PIMCO and JPM advised that they were not able to directly respond to this request. As part of the Value for Members assessment carried out for the Plan year, the total expense ratio (TER) for the Plan's default investment strategy (at varying membership ages) was benchmarked against three comparator schemes. In addition, the TERs for the largest self-select funds (based on assets under management as at 31 December 2025) were also benchmarked against appropriate funds available in the comparator schemes. The results of the assessment showed that the Plan's TER represent good value. In addition, the Plan's transaction costs were benchmarked against those from the three comparator schemes. The result of this assessment concluded that the transaction costs incurred from the Plan represent fair value to members. Considering the assessment of the total expense ratios and transaction costs together, WTW concluded that the Plan's costs and charges as a whole provide good value for members which is in line with last year's assessment. The Investment Consultant provided the Trustee with a scorecard to assist in reviewing portfolio turnover levels. It was viewed that the portfolio turnover figures provided by the investment managers over the Plan year for the Plan's

Policy		In the year to 31 December 2025
		investment funds as of 31 December 2025 are broadly within a reasonable range based on the nature of each of the investment funds.
Investment Monitoring and Reporting	 The Plan's investments will be regularly monitored by the Trustee (with the assistance of its Investment Consultant) over an appropriate time horizon, to consider the extent to which the investment strategy and decisions of the fund managers are aligned with the Trustee's beliefs. The SIP also outlines the investment monitoring and reporting process, including the considerations for investment option removal.	The Trustee reviews the funds' performance on a six-monthly basis through reporting prepared by its Investment Consultant. The Investment Consultant also provided updates to the Trustee regarding its forward-looking views on the Plan's investment managers and the investment market outlook. The performance reporting also includes more granular monitoring of the performance of the Plan's ESG integrated global equity fund and multi-asset funds that are used in both the lifestyle strategy and the self-select range. Most of the investment funds are managed passively and aim to broadly match the performance of their underlying benchmark indices. Most funds have delivered performance in line with expectations over the Plan year and longer term.

Section 4: Voting information and significant votes

The Plan offers a diverse range of asset classes through the lifestyle strategy and the self-select fund range. This section focusses on the equity and multi-asset investments which have voting rights attached.

As set out in the SIP dated 30 September 2024, the Trustee's policy for the implementation of stewardship activities is to delegate the exercising of rights (including voting and stewardship) and the integration of ESG considerations in day-to-day decisions to the Plan's investment managers. This section sets out the voting activities of the Plan's equity and multi-asset investment managers over the year, where the holdings include a right to vote as an ultimate owner of a stock, including details of the investment managers' use of proxy voting services.

All of the Plan's investments are through pooled fund vehicles. The Plan's investment managers have their own voting policies which determine their approach to voting, and the principles they follow when voting on investors' behalf. All investment managers also use voting proxy advisors which aid in their decision-making when voting. Details are summarised in the table below. The Trustee considers the investment manager voting policies to be appropriate, and consistent with the Trustee's policies and objectives and ultimately, therefore in the best financial interests of the members.

The stewardship capabilities of the Plan's investment managers, including voting and engagement with investee companies, are assessed by the Plan's Investment Consultant as part of the ongoing monitoring of the investment managers.

Manager	Investment Funds	Use of proxy voting service / brief description of voting process	Voting activity
BlackRock	iShares Developed World Equity Index Fund	BlackRock uses the proxy advisory firms Institutional Shareholder Services (ISS) and Glass Lewis to provide research. They then use ISS's electronic platform to execute their votes.	Number of resolutions on which manager was eligible to vote: 20,253 Percentage of eligible votes cast: 91% Percentage of votes with management: 96% Percentage of votes against management: 3% Percentage of votes abstained or withheld: 0%
	iShares US Equity Index Fund		Number of resolutions on which manager was eligible to vote: 6,973 Percentage of eligible votes cast: 98% Percentage of votes with management: 98% Percentage of votes against management: 1% Percentage of votes abstained or withheld: 0%
	iShares Continental European Equity Index Fund		Number of resolutions on which manager was eligible to vote: 10,174 Percentage of eligible votes cast: 80% Percentage of votes with management: 88% Percentage of votes against management: 11% Percentage of votes abstained or withheld: 1%
	iShares Pacific ex Japan Equity Index Fund		Number of resolutions on which manager was eligible to vote: 4,740 Percentage of eligible votes cast: 99% Percentage of votes with management: 90%

Manager	Investment Funds	Use of proxy voting service / brief description of voting process	Voting activity
			Percentage of votes against management: 9% Percentage of votes abstained or withheld: 0%
	iShares Developed Real Estate Index Fund		Number of resolutions on which manager was eligible to vote: 4,199 Percentage of eligible votes cast: 84% Percentage of votes with management: 95% Percentage of votes against management: 4% Percentage of votes abstained or withheld: 0%
Vanguard	Japan Stock Index Fund	Vanguard Investment Stewardship team votes on behalf of Vanguard's internally managed equity holdings. Vanguard casts proxy votes via dedicated voting providers. They consult a wide variety of third party research providers and their own internal proprietary databases. They then analyse the various issues and ballot measures in conjunction with their Proxy Voting Guidelines and other relevant data to reach our own independent decisions. The Investment Stewardship team uses a variety of research from well-known providers, such as ISS, Glass Lewis, and Equilar, as well as a number of smaller research providers. They do not rely on recommendations from proxy advisors for their voting decisions. They believe it is valuable to understand all sides of an issue before	Number of resolutions on which manager was eligible to vote: 2,380 Percentage of eligible votes cast: 100% Percentage of votes with management: 97% Percentage of votes against management: 3% Percentage of votes abstained or withheld: 0%
	FTSE UK All Share Index Unit Trust Fund		Number of resolutions on which manager was eligible to vote: 9,945 Percentage of eligible votes cast: 100% Percentage of votes with management: 99% Percentage of votes against management: 1% Percentage of votes abstained or withheld: 0%

	Emerging Markets Stock Index Fund	casting a vote on behalf of a Vanguard fund. As such, proxy advisors can be a useful data aggregator which serves as one of the many inputs that Vanguard's Investment Stewardship team uses to reach independent voting decisions on each fund's behalf.	Number of resolutions on which manager was eligible to vote: 24,049 Percentage of eligible votes cast: 100% Percentage of votes with management: 89% Percentage of votes against management: 11% Percentage of votes abstained or withheld: 3%
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Manager	Investment Funds	Use of proxy voting service / brief description of voting process	Voting activity
HSBC	Islamic Global Equity Index Fund	HSBC use the voting research and platform provider Institutional Shareholder Services (ISS) to assist with the global application of their own bespoke voting guidelines. ISS reviews company meeting resolutions and provides recommendations highlighting resolutions which contravene HSBC's guidelines.	Number of resolutions on which manager was eligible to vote: 1,642 Percentage of eligible votes cast: 97% Percentage of votes with management: 83% Percentage of votes against management: 16% Percentage of votes abstained or withheld: 0%
JP Morgan	Global Natural Resources	Although JP Morgan use the ISS ProxyExchange platform and see their voting recommendations, this forms only the starting point for their proprietary thinking, and all their voting decisions are made on a case by case basis by in-house specialists in conjunction with the Analyst and/or Fund Manager in reference to the JPMAM Corporate Governance Policy and Voting Guidelines.	Number of resolutions on which manager was eligible to vote: 936 Percentage of eligible votes cast: 100% Percentage of votes with management: 94% Percentage of votes against management: 5% Percentage of votes abstained or withheld: 1%
LGIM	Future World Climate Change Equity Factors Index	LGIM's Investment Stewardship team uses ISS's 'ProxyExchange' electronic voting platform to electronically vote clients' shares. All voting decisions are made by LGIM and they do not outsource any part of the strategic decisions. To ensure the proxy provider votes in accordance with LGIM's position on ESG, they have put in place a custom voting policy with specific voting instructions.	Number of resolutions on which manager was eligible to vote: 22,485 Percentage of eligible votes cast: 100% Percentage of votes with management: 79% Percentage of votes against management: 20% Percentage of votes abstained or withheld: 1%
	Diversified Fund (GBP)		Number of resolutions on which manager was eligible to vote: 100,740 Percentage of eligible votes cast: 100% Percentage of votes with management: 76% Percentage of votes against management: 23% Percentage of votes abstained or withheld: 1%

Manager	Investment Funds	Use of proxy voting service / brief description of voting process	Voting activity
LGIM	Diversified Fund (USD)		Number of resolutions on which manager was eligible to vote: 58,045 Percentage of eligible votes cast: 100% Percentage of votes with management: 78% Percentage of votes against management: 21% Percentage of votes abstained or withheld: 1%

Note: Figures are provided by the investment managers and may not sum to 100% due to a variety of reasons, such as rounding, lack of management recommendation, scenarios where an agenda has been split voted, multiple ballots for the same meeting were voted differing ways, or a vote of 'Abstain' is also considered a vote against management. Voting activity for the whole of the Plan year has been shown above.

For the funds managed by BlackRock, the voting figures may not sum to 100% due to the with/against management votes also including the count of abstained votes. If there were multiple vote strings for a given meeting, any proposal voted different ways between the vote strings would have been counted twice.

The following tables outline the most significant votes cast by the respective investment managers on the Trustee's behalf for each of the funds outlined above. This is based on the criteria set by each investment manager:

Most significant votes cast	Coverage in portfolio
Company: Air Products and Chemicals, Inc. Meeting Date: 23 January 2025 Resolution: Elect Dissident Nominee Director Andrew Evans Company Management Recommendation: For How the manager voted: For Rationale: BIS considered the election of Andrew Evansto be in the best interests of shareholders. Outcome of the vote: Pass Criteria on which the manager assessed this vote to be "most significant": BlackRock prioritises its work around themes that they believe will encourage sound governance practices and deliver sustainable long-term financial performance at the companies in which they invest on behalf of clients. This vote has been assessed as significant under the key themes for 2025– these themes are reflected in their global principles.	iShares Developed World Equity Index Fund iShares US Equity Index Fund
Company: Stellantis NV Meeting Date: 15 April 2025 Resolution: Approve Remuneration report containing remuneration policy for management board members Company Management Recommendation: Against How the manager voted: Against Rationale: BIS did not support the 'remuneration policy', because, in its view, the remuneration arrangements are poorly structured, include poor use of remuneration committee discretion regarding the grant of a one-off award and the disclosure did not provide sufficient understanding of the company's remuneration policies. Outcome of the vote: Pass Criteria on which the manager assessed this vote to be "most significant": See above	iShares Continental European Equity Index Fund

Company: First Pacific Company Limited Meeting Date: 18 June 2025 Resolution: Elect Edward K.Y. Chen as Director Company Management Recommendation: not disclosed How the manager voted: Against Rationale: BIS voted against due to insufficient independence after reclassification. Audit Committee without majority independence. Remuneration Committee without majority independence. The nomination committee is not majority independent. Chair of Remuneration Committee not independent Outcome of the vote: Pass Criteria on which the manager assessed this vote to be "most significant": See above	iShares Pacific ex Japan Equity Index Fund
Company: Marks & Spencer Group Plc Meeting Date: 01 July 2025 Resolution: Re-elect Sapna Sood as Director Company Management Recommendation: For How the manager voted: Against Rationale: Concern regarding director attendance/commitments. Outcome of the vote: Pass Criteria on which the manager assessed this vote to be "most significant": Not provided	Vanguard FTSE UK All Share Index Unit Trust Fund
Company: PDD Holdings Meeting Date: 19 December 2025 Resolution: Elect Director Haifeng Lin Company Management Recommendation: For How the manager voted: Against Rationale: Concern regarding board/committee structure and/or independence. Outcome of the vote: Not provided Criteria on which the manager assessed this vote to be "most significant": Not provided	Vanguard Emerging Markets Stock Index Fund

Company: Mitsubishi UFJ Financial Group, Inc. Meeting Date: 27 June 2025 Resolution: Appoint Shareholder Director Nominee Misaki, Yuta Company Management Recommendation: Against How the manager voted: Against Rationale: Concern regarding board/committee structure and/or independence. Outcome of the vote: Fail Criteria on which the manager assessed this vote to be "most significant": Not provided	Vanguard Japan Stock Index Fund
Company: Microsoft Corporation Meeting Date: 5 December 2025 Resolutions: Elect Director Satya Nadella Company Management Recommendation: Not provided How the manager voted: Against	LGIM Future World Climate Change Equity Factors Index LGIM Diversified Fund (GBP) LGIM Diversified Fund (USD)

Rationale: LGIM believe a vote against this proposal is warranted, as it expects companies to separate the roles of Chair and CEO due to risk management and oversight concerns. Outcome of the vote: Pass Criteria on which the manager assessed this vote to be "most significant": Thematic - Board Leadership: L&G considers this vote to be significant as it is in application of an escalation of our vote policy on the topic of the combination of the board chair and CEO.	
Company: Microsoft Corporation Meeting Date: 5 December 2025 Resolution: Human Rights Risk Assessment Company Management Recommendation: Against How the manager voted: For Rationale: HSBC believe that the proposal would contribute to the better management of human rights issues and be in the interest of shareholders. Outcome of the vote: Fail Criteria on which the manager assessed this vote to be "most significant": The company has a significant weight in the portfolio and HSBC voted against management.	HSBC Islamic Global Equity Index Fund
Company: China Hongqiao Group Limited Meeting Date: 7 May 2025 Resolution: Elect Fu Yulin as Director Company Management Recommendation: For How the manager voted: Against Rationale: BIS voted against management as it believes at least a majority of the board should be comprised of independent directors and clear steps should be taken to improve board independence over time. Outcome of the vote: Pass Criteria on which the manager assessed this vote to be "most significant": Vote against management	JP Morgan Global Natural Resources