

Engagement Policy

HSBC UK Bank plc, Private Banking ("PBUK")

Date: 10 June 2024

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Discretionary Investment Management Service Engagement Policy

Introduction

This policy describes our approach to shareholder engagement where in exercising our authority to manage client portfolios under a Discretionary Investment Management Service we, PBUK, invest directly in shares of companies admitted to trading on a UK regulated market (or on a comparable market outside the UK including in the EEA).

Engagement

As at the date of this engagement policy, we have delegated the investment management of discretionary portfolios to HSBC Asset Management (“HSBC AM”) (a division of the HSBC Group operating through a number of HSBC Group companies, including HSBC Global Asset Management (UK) Limited). As a result, all engagement activity in respect of securities held in discretionary portfolios managed under our Discretionary Investment Management Service is conducted by HSBC AM.

For information about how HSBC AM engages with companies and issuers whose securities are purchased on behalf of clients, including under our Discretionary Investment Management Service, the HSBC AM Engagement Policy can be found here:

<https://www.assetmanagement.hsbc.co.uk/en/individual-investor/about-us/responsible-investing/policies>

This contains information about the integration of engagement into HSBC AM’s investment strategy, monitoring of and dialogue with investee companies, collective engagement, voting and the identification and management of conflicts of interest.

Where fund holdings form part of a discretionary portfolio, the degree of engagement with investee companies and the policy on voting will be a function of the type of fund, the fund manager and their engagement policy. The HSBC AM Engagement Policy applies in relation to the securities held in HSBC funds.

Proxy Voting

HSBC AM currently exercises voting rights in respect of securities held directly in discretionary portfolios managed under our Discretionary Investment Management Service for the following mandates only:

- Charities Global Sustainable Conservative
- Charities Global Sustainable Moderate
- Charities Global Sustainable Growth
- Charities Global Sustainable Dynamic

Voting rights in respect of securities held under our Discretionary Investment Management Service in other mandates are not currently exercised (unless held within an Individual Savings Account (ISA) and at the ISA holder's express request).

HSBC AM's voting records are available through its Proxy Voting Dashboard here:

<https://vds.issgovernance.com/vds#/MjIwNw==>

Please note, these records cover voting across all shares in which HSBC AM has been granted voting authority by its clients. Details of securities held directly in the above mandates can be found in the periodic statements issued to clients invested in them.

Update: Annual Disclosure

HSBC is required to provide an annual disclosure of its shareholder engagement activities. This policy outlines such shareholder engagement activities and how they feature in HSBC's investment processes. We have updated this policy since it was last published on 10th June 2023 to note that voting rights are now exercised in respect of direct holdings in the mandates referred to above. In addition, as we delegate discretionary investment management to HSBC AM and do not impose separate requirements on them in relation to shareholder engagement, for better consistency we now link to HSBC AM's Engagement Policy as opposed to summarising it in this document as has been the case previously.