



IHG UK Defined Contribution Pension Plan (the 'Plan')

Implementation Statement

Year to 31 March 2026

Background

Background

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 pension trustee's fiduciary duty.

Implementation Statement

This implementation statement is to provide evidence that the Trustee of the IHG UK Defined Contribution Pension Plan (the 'Plan') continues to follow and act on the principles outlined in the Statement of Investment Principles ('SIP'), which is a statement intended to affirm the investment principles that govern decisions about the Plan's investments.

The latest SIP is publicly available can be found online at, <https://www.ihgplc.com/en/business/pensions>. It is also included in the Plan's annual Report and Accounts and Chair's Statement.

As confirmed on page 7 of this Statement, there were no changes made to the SIP over the Plan year.

The Implementation Statement details:

- actions the Plan 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
- a summary of any changes made to the SIP over the year
- the extent to which the Plan 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
- stewardship covering the reporting year up to 31 March 2026 for and on behalf of the Plan including the most significant votes cast by the Plan or on its behalf
- the policies in place to ensure the default strategy remains in the best interest of its members

Summary of key actions undertaken over the Plan reporting year

Whilst there were no material changes to the Plan's arrangements during the year, the Trustee continued to monitor the performance and appropriateness of the default investment strategy and self-select fund range. This included closely monitoring the performance of the Baillie Gifford Positive Change Fund, which experienced underperformance over the long term.

The Trustee, with assistance from its investment adviser, reviewed the pricing of the default and self-select funds during the Plan year and completed a benchmarking exercise against the wider market. At the end of the Plan year, the discussions are still ongoing with the Defined Contribution (DC) provider and a proposal has been received by the Trustee for a reduction in management charges.

Implementation Statement

This Statement demonstrates that the Plan has adhered to its investment principles and its policies for managing financially material considerations, including ESG factors and climate change.

As demonstrated in the following sections of this statement, the actions undertaken by the Trustee during the reporting year reflect the policies set out in the SIP.

Signed: Priti Ruparelia

Position: Chair of Trustee

Date: 19 October 2026

Managing risks and policy actions

The following sets out the Trustee policies as set out in the SIP and how they were each measured and followed during the reporting year. The following table details policies for the assets within the Plan.

Policy	Definition	How it is measured	Actions over the period
Investment objective	The objective is to provide a range of investment options that meet members' varying needs and risk tolerances, aiming to support asset growth, maintain purchasing power, and protect accumulated savings, particularly as retirement approaches, while balancing complexity and cost.	Three lifestyle options are offered to members of the Plan, with each intended to target the provision of one of the three retirement benefit choices: Annuity, Cash and Drawdown. Alternatively, a range of self-select funds are available for Plan members to invest in.	The Trustee regularly monitored performance and the fund managers used within the default and self-select options and ensures the suitability and qualifications of any third parties who advise the Trustee in relation to the default option. The Trustee undertakes a review at least every three years to assess the appropriateness of the investment options and the overall suitability of the Plan. The most recent review took place in 2024.
Risk measurement and management	How the Trustee measures and monitors the main sources of risk.	The Trustee considers risk from a number of perspectives in relation to the assets in the Plan and its operations. The Trustee considers risks in isolation and in terms of their potential impact on member outcomes.	The Trustee continued to identify, review and monitor risks. More detail on specific risks and management actions are outlined in the following section of this statement.
Monitoring	To review the range of funds offered and the suitability of the lifestyle options.	This is measured by assessing the following: fund performance versus respective targets; material issues affecting fund managers; Value for Members; and monitoring of charges.	The Trustee received quarterly investment reports from the Plan's investment consultant and DC provider. Where appropriate, the Trustee challenged underperforming fund managers. During the Plan year, the Plan's investment adviser monitored the fund managers and fed back to the Trustee on the prolonged underperformance of one of the Plan's funds. This was addressed post Plan year end and will be covered in the next Statement.
Portfolio turnover	Fund managers should not take excessive short term risk and considers the expected level of turnover appropriate for a fund's investment objective.	The Trustee will ask its DC provider or underlying fund managers to report on at least an annual basis on the underlying assets held within the fund with details of any transactions and turnover costs incurred over the year.	The Trustee, with the help of the Plan's investment advisers, reviewed the transaction costs during the Plan year within the context of similar index funds.
Portfolio duration	Funds and managers are selected that are aligned with the long-term nature of DC savings, focusing on delivering sustainable returns over members' investment horizons.	The Trustee, with the assistance of its investment adviser, will carry out necessary due diligence on the underlying investment decision making process to ensure fund managers make investment decisions	The Trustee reviewed the long-term performance of the Plan's investment funds on a quarterly basis.

		over an appropriate time horizon aligned with the objectives for the related investment option.	
Manager incentives	The basis of remuneration of the fund managers by the DC provider.	When selecting funds, the Trustee will ask the Plan's investment advisor to consider the fund managers' remuneration strategies and appropriateness of each fund's investment guidelines. The Trustee monitors the fund managers against a series of metrics on a quarterly basis including: performance of their respective benchmarks; relative tracking error where appropriate; exercise of stewardship responsibilities; and management of risks.	During the Plan year, the Trustee reviewed the investment options on a quarterly basis and challenged any underperformance or tracking error, where appropriate, with its investment adviser and DC provider.
Environmental, Social and Governance (ESG), Stewardship and ethical policy	Financially material environmental, social and governance factors are considered within investment decisions to support long-term, risk-adjusted returns for members.	Details of how ESG and stewardship activities are assessed and monitored are detailed in the Responsible Investment and Corporate Governance section below.	The Trustee considered its investment managers' policies in relation to ESG as part of this Statement.
Activism and the exercise of the rights attaching to investments	The Trustee delegates the exercising of rights (including voting rights) to investments to the fund managers. The fund managers are expected to exercise the voting rights attached to individual investments in accordance with their own house policy.	The Trustee has delegated the following matters to the Plan's investment adviser: monitoring adherence of fund managers to stated voting and engagement policies; and engaging with managers where concerns are identified and to report on these issues. The Trustee also expects the DC provider to oversee and challenge managers and evidence its governance practices where required.	The Trustee, with support from its investment adviser, reviewed the voting activities of its fund managers as part of this annual Statement.

Risk management and measurement

The Trustee has considered risk from a number of perspectives in relation to the assets. The list below is not exhaustive, but covers the main risks considered by the Trustee to be financially material.

Risk	What it is	How it is managed	How it is measured / Actions over the period
Manager risk	The risk of fund managers not meeting their objectives.	This risk is considered by the Trustee and its advisers both upon the initial appointment of the fund manager and regularly thereafter.	The Trustee reviewed the Plan's investment managers regularly during the Plan year. Post Plan year end, the Plan's adviser asked Baillie Gifford to attend the next Trustee meeting following a prolonged period of underperformance.
Operational risk	The risk of fraud, poor advice or acts of negligence.	The Trustee has 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.	The Trustee reviewed the performance of its investment advisor against agreed objectives during the year and no material concerns were raised.
Environmental, Social and Governance ("ESG") risk	Risk that the extent to which ESG issues (including climate change risk) are not reflected in asset prices and/or not considered in investment decision making leads to underperformance relative to expectations.	The Trustee seeks to minimise this risk by adopting a set of ESG beliefs which will be reviewed regularly and used to support with investment decision making. The Trustee's investment adviser will keep the Trustee informed of developments in this space.	The Trustee keeps its ESG beliefs under review and received updates from its investment advisor on relevant ESG developments to inform its approach.
Inflation risk	The risk that the purchasing power of Plan members' retirement pots is not maintained.	The Trustee offers members a range of funds, across various asset classes and expected returns, including actively and passively managed options.	The Trustee reviewed the performance of the default and self-select options versus their objectives throughout the Plan year with the support of its investment advisor.
Currency risk	The risk of the effect of currency movements on the capital value of the assets held in non-sterling denomination.	The Trustee aims to offer members global or regional funds, or funds classified by asset classes rather than solely by jurisdiction.	There were no concerns during the Plan year and no actions taken.
Liquidity risk	The risk of holding assets that cannot be easily sold should the need arise.	This risk is addressed through the use of pooled funds and/or insurance policies with frequent dealing dates and, where appropriate, by limiting exposure to funds and/or policies that may be more difficult to realise at times (such as property funds) whilst recognising that illiquid investments can still be a beneficial element of a balanced portfolio over the long term.	The primary default option does not currently include an allocation to illiquid investments, however this approach will be reviewed as part of the next triennial strategy review.

Diversification risk	The risk of a lack of diversification of investment.	This risk is addressed through investing in a range of pooled funds and/or insurance policies with an appropriate asset allocation range.	The Trustee reviews the range of funds offered regularly and receives quarterly updates from its advisor, including performance of individual funds versus their objectives.
Country/political risk	The risk of an adverse influence on investment values from political intervention.	The risk is reduced by offering investment options for members to achieve diversification across several countries.	There were no concerns during the Plan year and no actions taken.
Benefit conversion risk	Market conditions close to retirement may increase the cost of converting members' savings into retirement benefits.	The risk is managed by offering a range of investment options aligned to different retirement outcomes: cash and short-term interest-bearing funds to provide capital stability for lump sums; diversified multi-asset funds for members intending income drawdown; and long-dated bond funds for those targeting annuity purchase, as these broadly track movements in annuity pricing.	The Trustee reviews the component funds for each of the lifestyle options regularly.
Volatility/Market risk	Falls in fund values shortly before retirement can reduce the value of members' retirement benefits.	This risk is mitigated by making available investment options such as bond funds and diversified strategies, including those designed to manage short-term volatility, which are generally expected to experience lower levels of short-term fluctuations (although this may not always hold true).	The Trustee reviews the range of funds offered regularly and receives quarterly updates from its advisor, including performance of individual funds versus their objectives.
Selection, retention and realisation risk	The risk that non-financial matters, including member views, are not adequately considered in the selection, retention and realisation of investments.	The risk is managed by offering a selection of funds including three lifestyle strategies targeting annuity, cash and drawdown outcomes, and by regularly monitoring investment performance.	The Trustee monitors member fund choices, behaviours and retirement outcomes to assess the ongoing suitability of the investment arrangements. The Trustee periodically reviews the default strategy and wider investment options to ensure they continue to meet members' needs and objectives.

Changes to the Statement of Investment Principles (SIP)

Over the period to 31 March 2026, the SIP dated 24 October 2024 remained in effect. The SIP was not reviewed during the Plan year and the last review was on the date of the current effective SIP, 24 October 2024.

The Trustee intends to update the SIP in 2026 to reflect recent regulatory requirements, with these changes to be disclosed in the Implementation Statement for the Plan year ending 31 March 2027.

Responsible Investment and Corporate Governance

ESG as a financially material risk

The SIP describes the Plan's policy with regards to ESG as a financially material risk and notes that good stewardship can create and preserve value for companies and markets as a whole. The Trustee considers the following ESG statements when setting or reviewing the strategy:

- Choosing fund managers who have clearly articulated policies for managing financially material considerations including ESG and climate change;
- Considering the extent to which ESG issues including climate risk, where relevant, are integrated into the fund managers' investment processes and benchmark indices as appropriate, and being satisfied that the fund managers follow an approach which takes account of financially material factors;
- For actively managed funds (as and when applicable), expecting the fund managers to take financially material considerations, such as ESG factors, into account when selecting which companies and markets to invest in;
- For passively managed funds, the Trustee recognises that the funds' objectives are to deliver returns in line with its benchmark (which may or may not take into account ESG factors), which the Trustee believes will deliver appropriate risk-adjusted returns. The Trustee will review the index benchmarks employed by the funds used in the Plan on a periodic basis;
- For all funds, expecting fund managers to engage with companies in which the fund invests to encourage business strategies which should improve or protect the value of those investments;

The Trustee expects the Plan's underlying investment managers to engage with the companies they invest in on material issues including, but not limited to:

- Climate change and environmental suitability;
- Corporate governance and board effectiveness;
- Capital allocation; and
- Human capital management.

The Trustee defines 'significant votes' to be either companies with relatively large weightings in the funds which members invest in (as this will impact the greatest number of members by the largest amount), or where there were shareholder issues that members are expected to have an interest in.

The funds/managers in question fit into the strategy in the following ways:

- Are underlying funds for the IHG Plan Long Term Growth Fund;
- Are underlying funds for the IHG Diversified Assets Fund; or
- Form a part of the self-select range of funds.

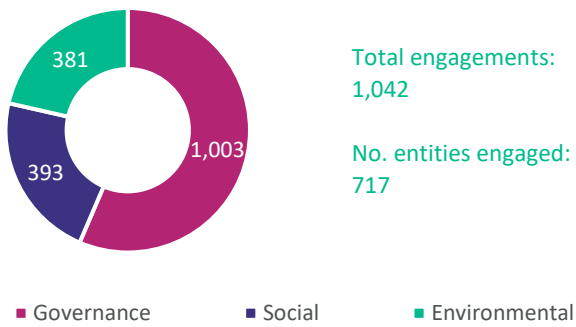
Examples of significant votes in relation to investments held by managers within the Plan are detailed later. Where relevant, the Trustee believes the managers have voted in line with the Plan's voting policy and Trustee views.

Engagement

As the Plan invests via fund managers, the managers provided details on their engagement actions including a summary of the engagements by category for the 12-month period to 31 March 2026, unless stated otherwise.

BlackRock

Aquila Life Currency Hedged World Index



Total engagements:
1,042

No. entities engaged:
717

BlackRock provide a firmwide policy document outlining its engagement priorities. These priorities focus on five key themes: board quality and effectiveness; strategy, purpose, and financial resilience; incentives aligned with financial value creation; climate and natural capital; and company impacts on people. These themes represent areas where BlackRock Investment Stewardship (BIS) most frequently engages with companies and are considered to be sources of potential material business risk or opportunity when relevant.

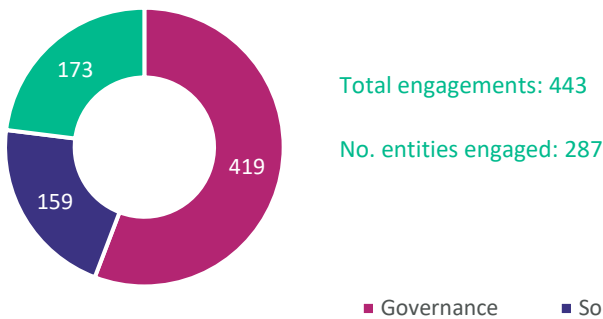
Engagement example: Western Digital Corporation

Topic – Governance

BlackRock engaged with Western Digital Corporation (WDC) in July 2025, ahead of its November 2025 AGM, to discuss its approach to a variety of business-related matters and relevant post spin-off developments, following the separation of its Flash business. The company also outlined its future capital allocation priorities and updated approach following the separation, including returning capital to shareholders through its first dividend and \$2 billion share buyback.

The engagement provided BIS with additional context on WDC’s post spin-off strategic priorities and capital allocation approach. This deeper understanding supported BlackRock’s assessment of the company’s disclosures and business direction following the separation.

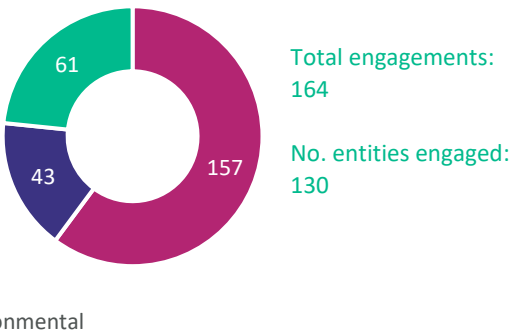
ACS World ESG Equity Tracker Fund



Total engagements: 443

No. entities engaged: 287

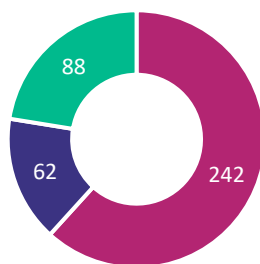
Aquila Connect Emerging Markets Fund



Total engagements:
164

No. entities engaged:
130

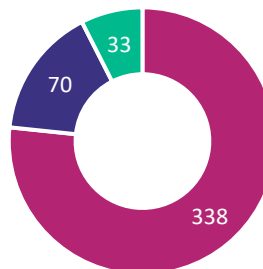
ACS European Equity Tracker Fund



Total engagements: 259
No. entities engaged: 179

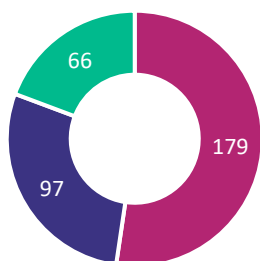
■ Governance ■ Social ■ Environmental

ACS Japan Equity Tracker Fund



Total engagements: 345
No. entities engaged: 233

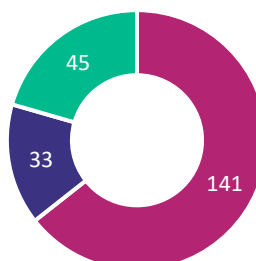
Aquila Life Pacific Rim Equity Index Fund



Total engagements: 183
No. entities engaged: 126

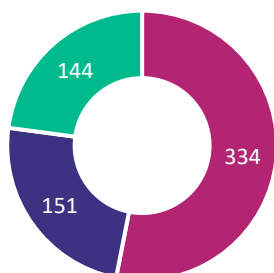
■ Governance ■ Social ■ Environmental

ACS UK Equity Tracker Fund



Total engagements: 151
No. entities engaged: 97

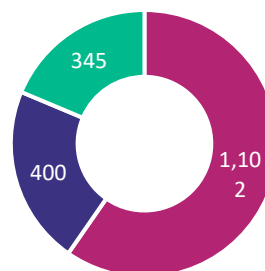
ACS US Equity Tracker Fund



Total engagements: 336
No. entities engaged: 253

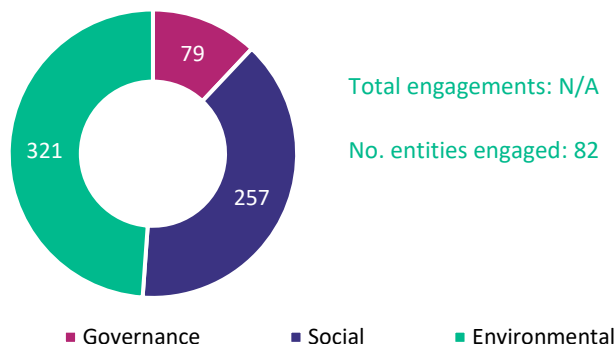
■ Governance ■ Social ■ Environmental

ACS World (Ex-UK) Equity Tracker Fund



Total engagements: 1,132
No. entities engaged: 803

Sustainable Multi-Factor Equity



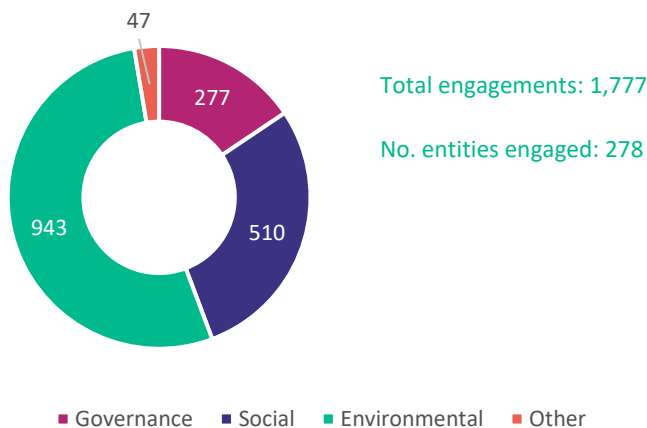
Schroders adopts a constructive and committed approach to engagement with the management teams of the companies and assets in which it invests. The firm focuses on encouraging companies to respond to evolving social and environmental pressures that are reshaping economies and financial markets, while holding management accountable for doing so. Through targeted and thoughtful engagement, Schroders aims to strengthen long-term competitiveness and enhance asset value, while supporting the transition towards a more sustainable and equitable global economy.

Engagement example: Roche Holdings AG
Topic – Environment (Climate Change and Human Rights)

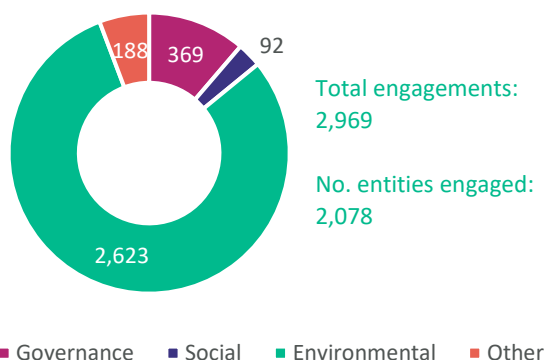
Schroders engaged with Roche Holding AG throughout the year on antimicrobial resistance (AMR), climate change, diversity in clinical trials, supply chain management and human capital management. Engagement was conducted through meetings, follow-up communications and formal correspondence with senior management and sustainability representatives. Discussions focused on AMR risk management, climate target validation and decarbonisation, supply chain compliance, environmental reporting and broader social impact considerations.

During the reporting period, Roche made tangible progress against several engagement objectives. The company enhanced disclosure on clinical trial diversity, secured validation of its science-based climate targets and strengthened oversight of AMR risks across its operations. Schroders also welcomed progress in monitoring supply chain compliance and environmental reporting. While further work is required in areas such as supply chain emissions and workforce-related disclosure, Schroders considers the company to have responded positively to engagement and will continue constructive dialogue on these topics.

Sustainable Future Multi-Asset



Note: Schroders have categorised engagements into a range of stewardship sub-topics, rather than directly by Environmental, Social and Governance categories. The investment adviser has therefore mapped these sub-topics to E, S and G classifications. Given themes may cover more than one ESG pillar, the figures should be viewed as approximate.



L&G Asset Management's Investment Stewardship team aims to drive long-term value creation by promoting responsible business practices and effective governance across its investee companies. The approach is centred around six core themes: Climate, Nature, People, Health, Governance and Digitisation. These themes are considered as financially material to client portfolios, often pose systemic risks and opportunities, and represent areas where L&G Asset Management is well placed to influence change through active stewardship.

Engagement example: Equinor ASA

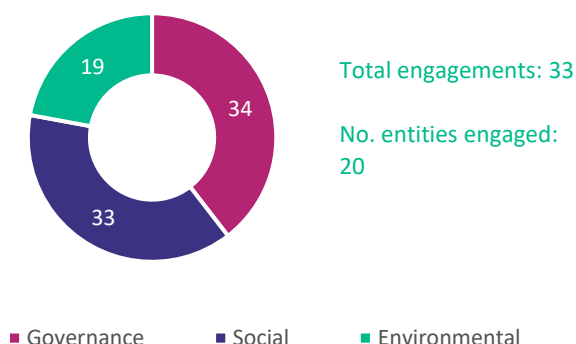
Topic – Environment (Climate transition strategy in the oil and gas sector)

L&G Asset Management engaged with Equinor using its published expectations for the oil and gas sector as a framework, assessing the company's climate commitments, disclosures, and the credibility of its transition plan. They encouraged Equinor to enhance disclosure on their financial and operational resilience under multiple Net-Zero-aligned climate scenarios by disclosing quantified impacts on cash flows and balance sheet items, alongside clear methodologies, assumptions and input parameters.

Whilst the company received a high level of support for its recent transition plan, L&G Asset Management will continue to engage with the company on their concerns to encourage steps towards their expectations for the sector.

Baillie Gifford

Positive Change Fund



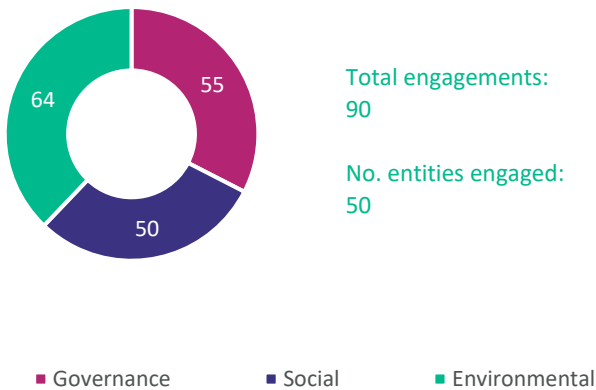
Baillie Gifford adopts a broad and long-term approach to engagement, defining it as any interaction with investee companies aimed at fact-finding, monitoring progress, or influencing outcomes. Engagement is used to deepen understanding before and after investment, assess company performance against expectations, and encourage change where needed to support long-term returns. The firm focuses discussions on a range of issues including compensation, capital allocation decisions, board make-up, human capital management and ESG reporting. Baillie Gifford prioritises constructive dialogue and active ownership, seeking to drive improvement through ongoing engagement and voting, with divestment considered only if concerns remain unresolved over time. Note: Baillie Gifford have provided engagements covering the 2025 calendar year.

Engagement example: Remitly

Topic – Social - Human capital management (e.g. inclusion & diversity, employee terms, safety)

Baillie Gifford engaged with Remitly through a meeting with the company's Head of Impact to understand its priorities in delivering its social mission, assess progress on measuring its impact, and encourage enhanced disclosure on emissions.

This was an insightful discussion that reaffirmed Remitly's mission-driven culture and its evolving approach to social impact measurement. Baillie Gifford are confident in management's intent to deliver positive change, while recognising a deliberate focus on practical customer support over emissions disclosure. Baillie Gifford will be persistent at emphasising the importance of this to them and their clients. The forthcoming outcomes research offers potential to strengthen both impact reporting and product innovation.



HSBC adopts a multi-level approach to stewardship across firmwide, fund-specific, and system-level activities. Firmwide stewardship focuses on issuer engagement and proxy voting, while fund-driven stewardship aligns engagement with specific sustainability objectives and regulatory requirements. At a system level, HSBC addresses broader risks such as climate change, through industry collaboration and policy engagement. Across all levels, HSBC seeks to balance improved disclosure with tangible actions to support long-term value creation and risk mitigation.

Engagement example: Leading European Pharmaceutical

Topic – Climate Change, Talent & Opportunity

HSBC engaged with the company to assess risks related to leadership succession, executive remuneration, and the credibility of its climate strategy, including progress on Scope 3 emissions.

HSBC was reassured by the company’s strong talent pipeline and succession planning, including a focus on diversity, though requested improved disclosure in this area. Progress was also noted in the development of clearer targets to engage the supply chain in supporting emissions reductions.

The company remains a stewardship priority, and HSBC will continue to monitor developments and encourage progress.

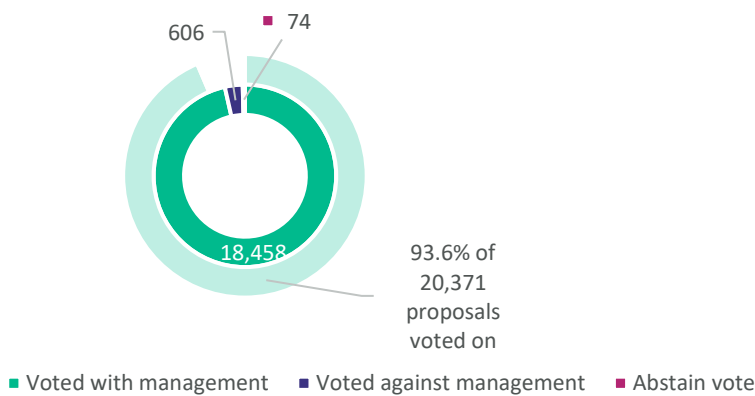
Voting (for Equity and Multi-Asset funds only)

The Trustee uses pooled investment funds within the Plan, as such voting activity is delegated to the underlying managers and the Trustee does not have influence in advance of the votes being taken. The Trustee monitors voting activity, after the fact, to ensure it aligns with their own beliefs and stewardship priorities.

The Plan’s fund managers have provided details on their voting actions including a summary of the activity covering the reporting year up to 31 March 2026.

BlackRock

Aquila Life Currency Hedged World Index



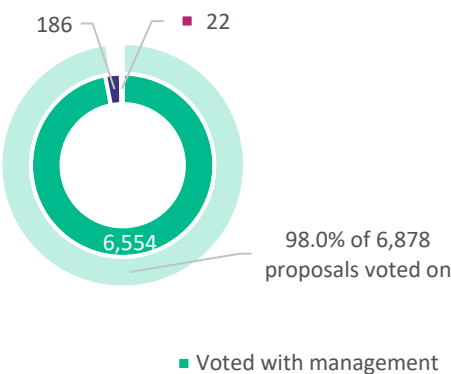
Manager’s voting approach
BlackRock Investment Stewardship (BIS) prioritises its stewardship activities around the following themes, where these issues are relevant and represent a source of material business risk or opportunity: board quality and effectiveness; strategy, purpose and financial resilience; incentives aligned with financial value creation; climate and nature capital; and company impacts on people.

Further information of BlackRock’s stewardship policies can be found [here](#).

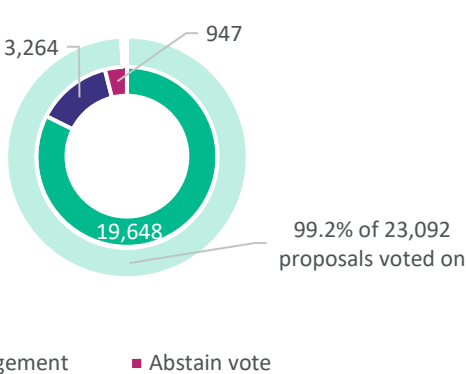
BIS use Institutional Shareholder Services’ (ISS) electronic platform to monitor voting activity, execute proxy vote instructions, record keep, and generate client and regulatory voting reports. BIS also uses Glass Lewis’ services to support research and analysis.

For more information on BlackRock’s use of proxy services, please refer to the following document available on their website: [here](#).

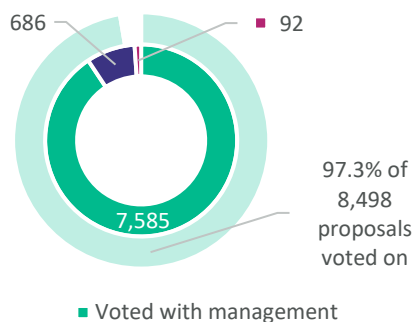
ACS World ESG Equity Tracker Fund



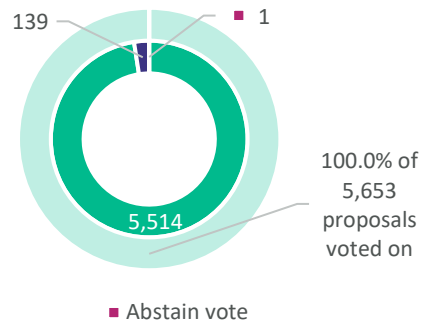
Aquila Connect Emerging Markets Fund



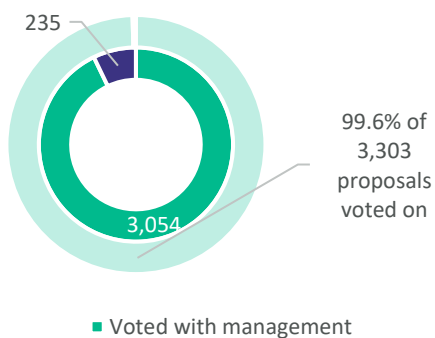
ACS European Equity Tracker Fund



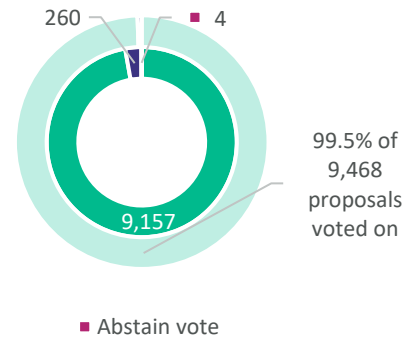
ACS Japan Equity Tracker Fund



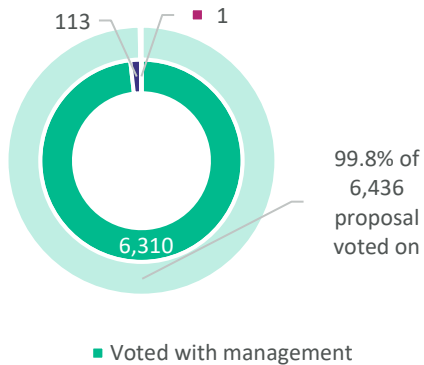
Aquila Life Pacific Rim Equity Index Fund



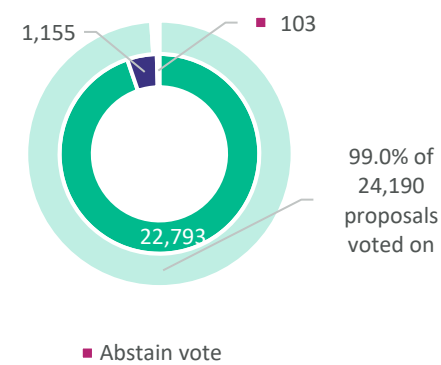
ACS UK Equity Tracker Fund



ACS US Equity Tracker Fund

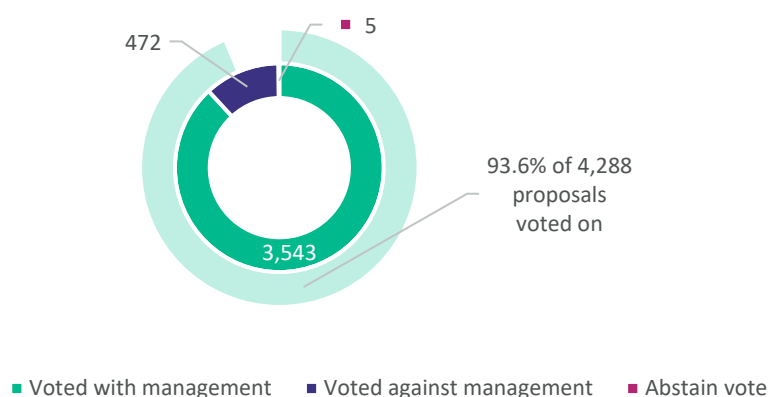


ACS World (Ex-UK) Equity Tracker Fund



Schroders

Sustainable Multi-Factor Equity



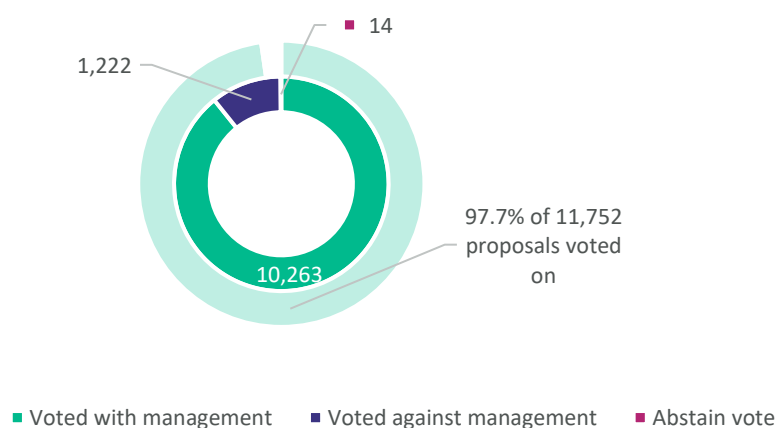
Manager's voting approach

Schroders determine a significant vote to be those where they vote against the board's recommendations, for example, votes against the re-election of directors, on executive remuneration, on material changes to the business, on climate matters and on other environmental or social issues.

For further information on Schroders' voting policy, please refer to the following webpage: [Voting Guidelines](#).

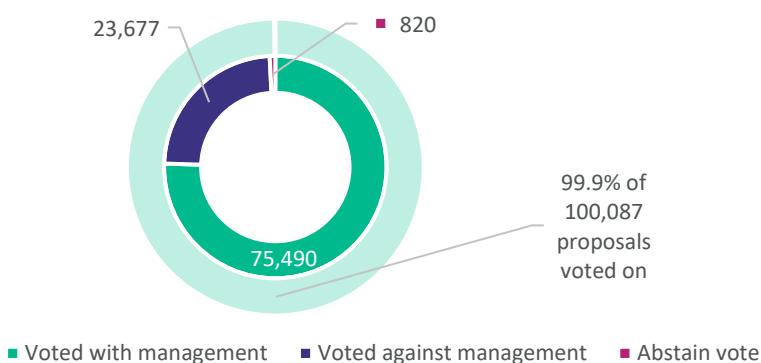
Glass Lewis (GL) acts as Schroders one service provider for the processing of all proxy votes in all markets. GL delivers vote processing through its Internet-based platform Viewpoint. Schroders receives recommendations from GL in line with their own bespoke guidelines, in addition, they receive GL's Standard research. This is complemented with analysis by Schroders in house thematic specialists and where appropriate with reference to financial analysts and portfolio managers.

Sustainable Future Multi-Asset



L&G Asset management

Future World Multi-Asset Fund



Manager's voting approach

L&G Asset Management consider criteria provided by the PLSA guidance for asset managers ([Vote Reporting Template](#)) when determining significant votes. This includes but is not limited to:

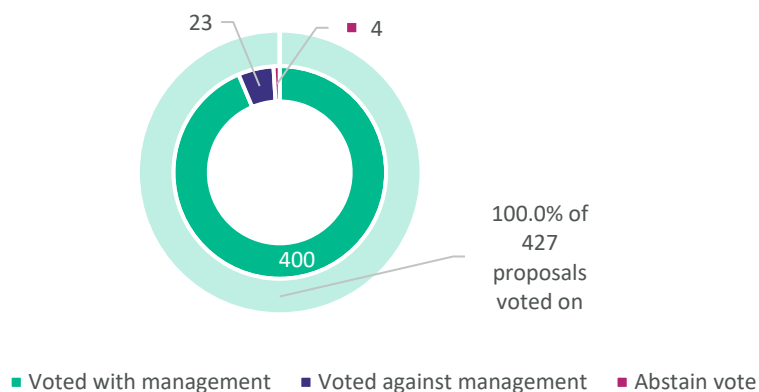
- High-profile votes with a degree of controversy for client and/or public scrutiny
- Votes with significant client interest
- Votes resulting from direct or collaborative engagement
- Votes linked to an engagement campaign, in line with their global stewardship themes

Votes are cast according to L&G Asset Management's instructions, guided by their voting policies and effected through an electronic voting platform called 'ProxyExchange', which is managed by Institutional Shareholder Services (ISS). In parallel to applying the custom voting policy, L&G Asset Management use the voting information services of ISS and receive research reports for all companies in their

equity portfolios. L&G Asset Management also have regular meetings with ISS to discuss the implementation and evolution of their policies. Further information on L&G Asset Management's voting and engagement policies can be found [here](#).

Baillie Gifford

Positive Change Fund



Manager's voting approach

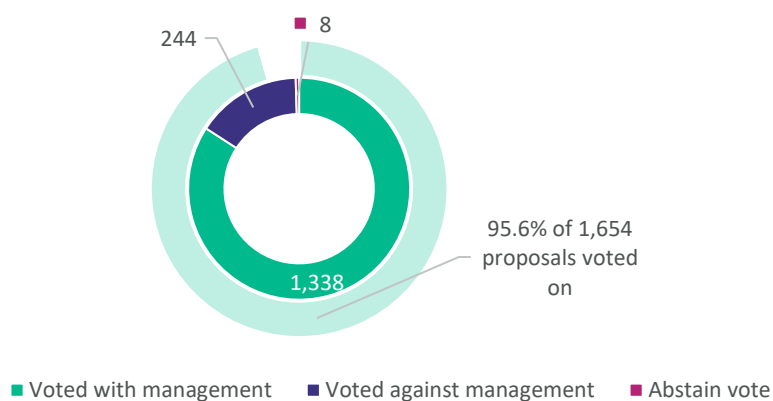
Baillie Gifford's considerations for determining a significant vote include, but are not limited to:

- Voting decision with a material impact on the outcome of the meeting
- Management resolutions receiving 20% or more opposition
- Shareholder resolutions receiving 20% or more support
- Votes relating to mergers and acquisitions
- Significant reported audit failing
- Opposing the ratification or election of directors
- Material ESG factors leading to Baillie Gifford opposing management

Whilst Baillie Gifford are cognisant of proxy advisers' voting recommendations (ISS and Glass Lewis), they do not delegate or outsource any of their stewardship activities or follow or rely upon their recommendations when deciding how to vote on clients' shares. All client voting decisions are made in-house and in line with their in-house policy, not with the proxy voting providers' policies. More information on Baillie Gifford's proxy voting guidelines can be found [here](#).

HSBC

Islamic Global Equity Index



Manager's voting approach

HSBC regard votes against management as the most significant. Further details on key themes and issues are outlined in HSBC's Global Voting Guidelines, available [here](#).

To enable efficient proxy voting operations, HSBC work with Institutional Shareholder Services (ISS), which provides research, a voting platform and disclosure services. HSBC's Global Voting Guidelines, together with their own research, inform more granular voting policy instructions, which form the basis for custom voting recommendations for each shareholder meeting. The in-house voting operation teams may also execute votes directly on this voting platform, particularly for proposals that HSBC think should be voted differently than the HSBC custom voting recommendation, or for voting items that have been referred to us for further consideration as part of our custom voting process.

Fund Name	Company Name	Date of Vote	Why the vote is significant and theme	Fund holding	Summary of resolution	How the manager voted	If voted against management, was it shared ahead of time with company	Voting rationale	Outcome of vote	Next steps
BlackRock Aquila Life Currency Hedged World Index	Amazon.com, Inc.	21 May 2025	Aligns with BlackRock Investment Stewardships' (BIS) theme of climate and natural capital.	N/a	Report on Impact of Data Centers on Climate Commitments	Against	BIS do not share voting decisions with the company ahead of time.	The company already provides sufficient disclosure and/or reporting regarding this issue, or is already enhancing its relevant disclosures.	Fail	Where concerns are identified, BlackRock may vote against directors, management proposals, or management recommendations on shareholder proposals, and may engage with companies post-meeting to seek clarity and deepen understanding, without directing management decisions.
BlackRock ACS World ESG Equity Tracker Fund	Equinor ASA	14 June 2025	Aligns with BIS' theme of climate and natural capital.		Discontinue the Wind Power Business; Decommission All Wind Power Plants	Against		The request is either not clearly defined, too prescriptive, not in the purview of shareholders, or unduly constraining on the company.	Fail	
BlackRock Aquila Connect Emerging Markets Fund	Zhongji Innolight Co., Ltd.	28 January 2026	Aligns with BIS' theme of strategy, purpose, and financial resilience.		Approve External Investment Management System	Against		Lack of disclosure.	Pass	
BlackRock ACS European Equity Tracker Fund	Stellantis NV	15 April 2025	Aligns with BIS' theme of strategy, purpose, and financial resilience.		Approve Remuneration Report Containing Remuneration Policy for Management Board Members	Against		Current remuneration arrangements are poorly structured and disclosure does not provide sufficient understanding of the company's policies and the link between performance-based pay and company performance.	Pass	
BlackRock ACS Japan Equity Tracker Fund	Takeda Pharmaceutical Co., Ltd.	25 June 2025	Aligns with BIS' theme of strategy, purpose, and financial resilience.		Approve Annual Bonus	Against		Issues with compensation-related disclosure and governance.	Pass	
BlackRock Aquila Life Pacific Rim Equity Index Fund	First Pacific Company Limited	18 June 2025	Aligns with BIS' theme of board quality and effectiveness.		Elect Edward K.Y. Chen as Director	Against		Insufficient independence within Audit Committee, Remuneration Committee, Nomination Committee and Chair of Remuneration Committee.	Pass	
BlackRock ACS UK Equity Tracker Fund	Reckitt Benckiser Group Plc	27 January 2026	Aligns with BIS' theme of strategy, purpose, and financial resilience.		Authorise Issue of Equity without Pre-emptive Rights in Connection with an Acquisition or Other Capital Investment	For		N/a	Pass	
BlackRock ACS US Equity Tracker Fund	Alphabet Inc.	6 June 2025	Aligns with BIS' stewardship themes.		Publish a Human Rights Impact Assessment of AI Driven Targeted Advertising	Against		The company already provides sufficient disclosure and/or reporting regarding this issue, or is already enhancing its relevant disclosures.	Fail	
BlackRock ACS World (Ex-UK) Equity Tracker Fund	Costco Wholesale Corporation	15 January 2026	Aligns with BIS' theme of climate and natural capital.		Assess and Report on Financial Risks and Costs of Climate Commitments	Against		The company already provides sufficient disclosure and/or reporting regarding this issue or is already enhancing its relevant disclosures.	Fail	
Schroders Sustainable Multi-Factor Equity	Johnson & Johnson	24 April 2025	Considered significant as it relates to human rights and broader social impacts, aligning with Schroders' focus	N/a	Shareholder Proposal Regarding Human Rights Impact Assessment	For	Schroders may share their intention to vote against the recommendations of the board before voting. Schroders	Shareholders would benefit from increased transparency and disclosure on how the company is managing human capital and human rights-related risks, including reputational, legal and	Fail	N/a

			on environmental and social issues.				always endeavour to inform companies after voting against any of the board's recommendations.	corresponding financial risks, related to freedom of association.		
Schroders Future Multi-Asset	Hewlett Packard Enterprise Co	2 April 2025	Considered significant as it relates to transparency and oversight of lobbying activities, aligning with Schroders' focus on environmental and social issues.	N/a	Shareholder Proposal Regarding Lobbying Report	For	Please see above	Additional disclosure of the company's state level lobbying, indirect lobbying-related expenditures and board oversight mechanisms would help shareholders better assess the risks and benefits, including regulatory, legal and reputational, associated with the company's participation in the public policy process.	Fail	N/a
L&G Asset Management Future World Multi-Asset Fund	National Australia Bank Limited	12 December 2025	L&G considers this vote to be significant as it is applied under their engagement program on deforestation, targeting companies in high-risk sectors.	0.32%	Approve Strategy to Eliminate Financed Deforestation	For	L&G do not engage with investee companies in the three weeks prior to an AGM as their engagement is not limited to shareholder meeting topics.	Disclosure of a strategy to eliminate financed deforestation in line with credible frameworks such as the Accountability Framework Initiative (AFI) would provide shareholders with visibility on governance, targets, client expectations, controls, and escalation pathways for this financially material risk.	N/a	L&G will continue to engage with the investee companies, publicly advocate their position on this issue and monitor company and market-level progress.
Baillie Gifford Positive Change Fund	Microsoft Corporation	5 December 2025	It was submitted by shareholders and received greater than 20% support.	4.65%	Report on effectiveness of human rights due diligence	Against	No	Baillie Gifford opposed the shareholder resolution. They are pleased that the company continues to enhance its due diligence processes and continue to be satisfied with the company's management of the issue. Baillie Gifford will continue to monitor this issue going forward.	Fail	Microsoft has demonstrated a strong willingness to discuss human rights with Baillie Gifford, and they intend to continue these discussions in 2026.
HSBC Islamic Global Equity Index	NVIDIA Corporation	25 June 2025	The company has a significant weight in the portfolio and HSBC voted against management.	7.88%	Enhance Workforce Data Reporting	For	No	HSBC believe the proposal would make the company more accountable to shareholders.	Fail	HSBC will likely vote for a similar proposal.

The information contained herein, and views expressed by Isio are based solely on information provided by the investment managers. The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavour to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.