

HSBC Modern Slavery and Human Trafficking Statement 2025



HSBC

Opening up a world of opportunity

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Section 1: About HSBC

HSBC is one of the largest banking and financial services organisations in the world. Guided by our purpose of opening up a world of opportunity, our ambition is to become the world's most trusted bank globally, putting customers at the heart of everything we do.

Since 1 January 2025, the HSBC Group has operated through four new businesses to simplify our organisational structure and accelerate delivery against our strategic priorities.

Hong Kong

UK

**Corporate and
Institutional
Banking**

**International
Wealth and
Premier Banking**

Hong Kong

Our Hong Kong business has a leading market position. It comprises Retail Banking and Wealth and Commercial Banking of HSBC Hong Kong and Hang Seng Bank.

UK

Our UK business has a leading market position. It comprises Retail Banking and Wealth (including first direct and M&S Bank) and UK Commercial Banking, including HSBC Innovation Bank.

Corporate and Institutional Banking

Our CIB business is a market leader in cross-border transaction banking and capital markets. It integrates our Commercial Banking business (outside the UK and Hong Kong) with our Global Banking and Markets business.

International Wealth and Premier Banking

Our IWPB business comprises Premier banking outside of Hong Kong and the UK, our Private Bank, Asset Management and Insurance businesses.

Our stakeholders include our employees, customers, investors, regulators and governments, and members of the communities we serve. Many of our employees are also our customers and shareholders and our business clients may act as suppliers.

Our size and global reach mean our actions can have a significant impact and we are committed to doing business responsibly and making decisions for the long term.

Section 2: Our policies

How we do business is as important as what we do. This is consistent with the HSBC values.

In our [Human Rights Statement](#) we set out how we seek to meet our responsibility to respect human rights. Our approach is guided by the UN Guiding Principles on Business and Human Rights (UNGPs) and the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises on Responsible Business Conduct. We refreshed our Human Rights Statement in 2026.

Human rights considerations are reflected in several Group-wide policies. Taken together, these policies govern our behaviour as a provider of financial services to business and personal customers, as a buyer of goods and services, as an investor and as an employer.

This Statement builds on the Human Rights Statement, with more specific information on our approach to tackling modern slavery and human trafficking. Modern slavery includes, but is not limited to, child labour, forced labour and debt bondage.

Employees

HSBC's commitment to respect human rights in the workplace, including the right to decent work and freedom from discrimination, aligns with our values and is set out in our global policy. Our approach is set out in detail on the HSBC Group website – see [Our inclusion strategy](#).

Business customers

Our sustainability risk policies form part of our broader risk management framework and are important mechanisms for managing risks. These policies focus on mitigating reputational, credit, legal and other risks related to our customers' environmental and social impacts. For further details, see our Sustainability Risk Policies Framework at [Sustainability risk | HSBC Holdings plc](#). The Framework provides an overview of how HSBC identifies, evaluates and manages risks related to the delivery of our sustainability approach.

In 2003, HSBC adopted the Equator Principles, which provide a framework which helps to assess and manage

environmental and social risks when financing relevant large projects. Where relevant, this includes consideration of whether projects will meet International Finance Corporation (IFC) Performance Standards, including those covering child labour, forced labour and restrictions on collective bargaining.

Our financial crime policies also apply to business customers, as set out below.

Suppliers

Our Supplier Code of Conduct (the Code) sets the minimum standards we expect of our suppliers in respect of the environment, inclusion and human rights. In 2025, we refreshed the Code to include principles on responsible use of AI. We continue to formalise adherence to the Code in our supplier contracts, which includes the right to audit and to act if a breach is discovered. At the end of 2025, 97.3% of approximately 9,830 contracted suppliers had either confirmed adherence to the Code or provided their own alternative that was accepted by our Global Procurement function. Under the Code, HSBC reserves the right to review suppliers' policies, procedures or any other documents related to compliance with the Code. In some cases, HSBC may require an audit of a supplier's compliance.



Investment

HSBC Asset Management recognises the impact which environmental, social and governance (ESG) factors can have on the sustainability of companies, investment returns and risk. Human rights issues are amongst those considered in its due diligence, engagement and voting.

Personal customers

The provision of services to our personal customers may be linked to modern slavery through association with the financial activities of perpetrators of these crimes and their victims. Our financial crime policies, set out below, help us to identify these associations and take appropriate action. Some of our customers may themselves be vulnerable to modern slavery. We look for indicators that this might be the case, either from activity on customer accounts or interactions with branch staff, alerting relevant authorities if suspicions arise.

Financial crime

HSBC is committed to preventing our products and services from being exploited for criminal activity. One of the ways in which HSBC meets this objective is through our Global Financial Crime Policy (FC Policy), which establishes our minimum risk management and control requirements to enable HSBC and its staff to detect, analyse, investigate, report and mitigate the risk of HSBC facilitating or being used to facilitate financial crime. The FC Policy is designed to comply with the applicable money laundering, terrorist financing, proliferation financing, sanctions, export controls, bribery and corruption, tax evasion and fraud laws and regulations in the markets in which we operate. Perpetrators of modern slavery may generate profits that would be considered proceeds of crime; their actions may constitute money-laundering predicate offences and could also be a source of terrorist financing. Public authorities may impose sanctions for human rights abuses including modern slavery, and we recognise that bribery and corruption can also contribute to such abuses.



Section 3: Our approach to due diligence and risk management

Risk overview

In 2025, we conducted a review of our salient human rights issues. The review, previously conducted in 2022, indicated that HSBC was most likely to be exposed to modern slavery through its relationships with business customers, suppliers and investee companies, especially (though not exclusively) those operating, or with supply chains, in sectors dependent on low-skilled or migrant workers with a high turnover of potentially vulnerable workers or in places where these practices are prevalent.

Modern slavery issues were assessed as far less likely to arise in respect of our own employees; the financial services sector is not among those considered high risk in this regard. Nevertheless, we take a range of steps to help ensure our employees' right to decent work is respected under the policies referenced in the Employees section, above.

This review validated our existing assessment, and no substantive changes have been made to our salient issues as a result.

Business customers

Due diligence

HSBC's relationship managers are the primary point of contact for many of our business customers and are responsible for managing customers' adherence to applicable policies and procedures, including our sustainability risk policies.

They are supported by Sustainability Risk Managers across the Group, who have responsibility for advising on, and overseeing, the management of environmental and social risks. Sustainability Risk Managers are

supported by Group Reputational and Sustainability Risk, a central team responsible for developing policies, guidance and training, and overseeing overall policy compliance.

HSBC aims to investigate potential adverse human rights impacts, including those related to modern slavery, where credible allegations are reported, or where potential issues are identified and escalated. Business customer relationships may also be subject to further review by relevant Risk Committees.

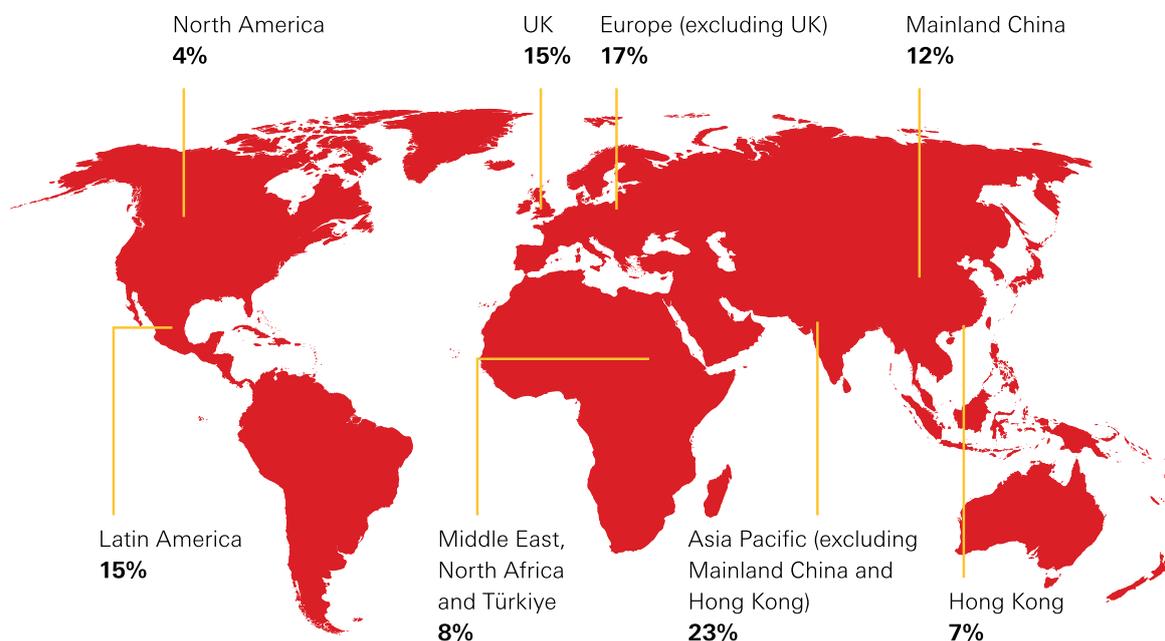
We use independent negative news data to help to identify sustainability related controversies relating to our customers, including on human rights. Customers with controversies may be subject to further review and / or escalation to risk governance.

Suppliers

Due diligence

We implement a Global Procurement human rights due diligence operating procedure, which sets out how HSBC aims to identify suppliers where the risk of adverse human rights impact is considered to be higher and the process to be followed to review and mitigate the risk.

HSBC Group is supported by a diverse network of suppliers, across the regions shown in the map below. These suppliers, and the companies that supply them, constitute our global supply chain. HSBC's major categories of spending include consultancy/professional services, IT services, corporate real estate and services that support our banking operations.



For further details of the number of suppliers in each geographical region, see the ESG Data Pack at www.hsbc.com/esg

Engagement

Our Code (see Section 2, above) gives us the right to conduct audits and to request evidence of due diligence processes in respect of any of the issues covered, including modern slavery.

Investment

Due diligence

HSBC Asset Management uses available data to monitor for controversies that could represent breaches of UN Global Compact (UNGC) principles, including those linked to human rights. This third-party monitoring may prompt due diligence on issuers of listed securities held in actively managed fundamental equity and fixed-income sustainable portfolios in HSBC Asset Management's main international investment offices. The findings of the due diligence are reviewed within its investment governance structures.

Engagement & voting

HSBC Asset Management's [stewardship plan](#) includes its engagement approach on human rights, which acts as a reference of good practices for its engagement with priority companies where human rights is a relevant issue. Its Global Voting Guidelines provide an overview of its approach to exercising its shareholder rights in respect of relevant sustainability issues, including human rights and workforce concerns.

Personal customers

The provision of services to our personal customers may be linked to modern slavery through association with the financial activities of perpetrators of these crimes and their victims. We include below an example of how our financial crime controls have helped to identify criminal abuse of personal accounts. We also continued to offer banking via our Survivor Bank programme, which supports survivors of vulnerable situations including modern slavery and human trafficking in the UK.

Financial crime risk management

Our financial crime controls help us to identify and assess the risks posed by customers, employees and third parties, and determine whether we wish to establish a relationship with them. If we do establish a relationship, we continue to seek to identify risks by screening them against specified lists, indicators and known typologies, and by monitoring our customers' transactions. Where we believe we have identified signs of financial crime risk, including in association with potential human rights abuses, we seek to investigate and take appropriate mitigating action, including reviewing the relationship and reporting to relevant government authorities.

Each month in 2025 we monitored approximately 980 million transactions for signs of financial crime. We performed daily screening of approximately 109 million customer records for sanctions exposure. In 2025, we filed over 137,000 suspicious activity reports to law enforcement and regulatory authorities where we identified potential financial crime.

Case studies:

Identifying human trafficking risks

Through active monitoring of emerging typologies and externally sourced intelligence, our Compliance team continues to proactively identify and address cases that may involve human trafficking risks. In each of the following case studies, our Compliance team has made the necessary regulatory filings and terminated certain customer relationships in accordance with our internal policies.

Forced labour risks

HSBC's transaction monitoring controls flagged a newly onboarded retail customer whose transactional behaviours matched known indicators of forced labour risks in the construction sector. The customer received funds from a large number of migrant employees of a particular construction company, and transferred those funds onward to the owner and key controller of the construction company. These patterns matched media reports on allegations of companies demanding payments from migrant labourers to secure their employment.

Child sexual exploitation risks

Our Compliance investigators identified a retail banking customer whose transactional behaviours matched known indicators of potential child sexual exploitation (CSE). The customer – located in a high-risk jurisdiction for CSE activity – received remittances from multiple male individuals, most of whom were based overseas, and payment descriptions contained keywords noted by some public-private partnerships (PPPs) and law enforcement as indicative of online sexual exploitation. In addition to filing reports to law enforcement, the Compliance team also shared its observations with relevant PPPs.

Sex trafficking risks

Compliance investigators identified a retail banking account that sent low-value transactions to an individual identified in media reporting as allegedly being involved in sex trafficking. The transactions included multiple payments to spas that were featured in social media advertisements suggestive of potential illicit activity. Compliance investigators also identified overnight payments to salons, hotels, taxis, and limousine services, which – when combined with other risk factors – were indicative of sex trafficking risks.

Section 4: Measuring effectiveness

We recognise the need to monitor the development of our approach to tackling modern slavery, and other human rights issues. Some of the metrics we use are included in the table below, along with some context on the way we use the data to help ensure continual improvement.

Key Performance Indicator	2025	2024	Context
Survivor Bank Accounts (cumulative)	4,175	3,631	The 'Survivor Bank' programme supports survivors of vulnerable situations including modern slavery and human trafficking.
Percentage of contracted suppliers who have either confirmed adherence to the Code of Conduct or provided their own alternative that was accepted by our Global Procurement function	97.3%	96.7%	As described in Sections 2 and 3 above, our Code is a key element of our policy, risk management and due diligence processes in respect of our suppliers. By tracking suppliers that do not sign our Code, and through formalising adherence to the Code in supplier contracts, we can seek to increase supplier acceptance.



Section 5: Training

Enhancing our understanding of modern slavery

We believe in continuous education and in ensuring that our front-line employees are equipped with the right tools and training to be effective in their roles. To support this, we produce briefings based on global news and trends, and encourage our employees to pursue certifications from relevant organisations.

Our Compliance team delivers insights on human trafficking risks and their impact on the financial services sector through internal reports and training sessions.

Education and Awareness

HSBC continues to proactively assess developments in human trafficking risks across the world, leveraging intelligence from non-profit organisations, regulators, PPPs and industry working groups. Organisations such as the Mekong Club and the International Centre for Missing & Exploited Children (ICMEC) facilitate cross-industry information-sharing on criminal typologies specific to each geographical region, including evolving risks related to the trafficking and exploitation of adults and children.

In September 2025, the ICMEC, in collaboration with Freshfields and FTI Consulting, released the “Child Protection Toolkit for Financial Institutions.” This comprehensive toolkit, which included case study contributions from HSBC and several peer banks, serves as a vital resource for financial institutions aiming to enhance their protective measures against child exploitation.

Strengthening Staff Awareness

In 2025, our Compliance team took significant steps to enhance staff awareness regarding the risks of human trafficking and their implications for the financial services sector. For instance, in partnership with the Mekong Club, it conducted staff training sessions on Human Trafficking and Modern Slavery issues in Australia and Singapore during February and May 2025, respectively. These sessions offered insights into global trends and patterns of human trafficking activities, as well as the shifting paradigm of human trafficking in Asia. Additionally, HSBC maintains dedicated modules on human trafficking risks within our comprehensive suite of online training content, accessible to staff across the Bank.

In 2025, we continued to provide training to our Procurement teams on sustainable procurement themes. We launched an internal training video covering key topics, including carbon, nature, inclusion and human rights. We also trained our sourcing teams to consider sustainability themes, including human rights, as part of the supplier selection process.

Our Wholesale banking business has developed training to support relationship managers in dealing with potential adverse human rights impacts related to our business customers.

Our International Wealth and Personal Banking team delivered training to raise awareness of modern slavery, helping employees to identify signs of abuse and escalate concerns through established channels. Our customer-facing employees globally are trained to identify and support vulnerable customers as part of their induction training.

Working in partnership

HSBC is a strong proponent of public-private partnerships and information sharing initiatives. We play an active or founding member role in these partnerships in numerous jurisdictions around the world and, where and to the extent the law allows, work cooperatively with other participants in the global financial system to share both strategic and tactical information to help combat financial crime, including that related to modern slavery. We work with a range of public authorities and standard-setting bodies, including the Financial Action Task Force, to share our initiatives and findings.

In the UK, for example, HSBC continues to be a leading member of the [Joint Money Laundering Intelligence Taskforce](#) (JMLIT). One of JMLIT’s key operational priorities is “understanding and disrupting the funding flows linked to organised immigration crime and human trafficking”. HSBC has participated in joint law enforcement and civil society conferences, including the UNGC’s UK Modern Slavery Working Group. We aim to engage with NGOs and civil society groups when they raise concerns related to HSBC customers. HSBC is a member of the Thun Group of banks, the main purpose of which is to deepen understanding of the UNGPs within the context of banks, and to consider how these principles may be applied across the range of different banking activities.

Section 6: Governance

This Statement covers the period from 1 January to 31 December 2025. Responsibility for the development and review of the policies listed in Section 2 is listed in the table below

Policy	Department	Function
Sustainability Risk policies	Sustainability Risk	Group Risk and Compliance
Financial Crime policies	Financial Crime	Group Risk and Compliance
Employee policies	Talent Management, Performance Reward and Employee Relations	Group Human Resources

HSBC's approach to reporting under the UK Modern Slavery Act was developed by a Group-wide Human Rights Disclosures Network coordinated by Group Public Affairs, drawing on resources from relevant functions, businesses and geographies. The Statement was considered and approved by:

HSBC Holdings plc Group Disclosure Committee

Boards of other HSBC Group entities required to report under the UK Modern Slavery Act listed below

HSBC Holdings plc Board

The Statement is signed by the Group Chairman on behalf of the Board of Directors of HSBC Holdings plc and of the entities listed in the adjacent table. The Boards of Directors of the entities listed in the adjacent table approved the Statement on the dates shown, and delegated authority to the Group Chairman to sign on their behalf.

Brendan Nelson Group Chairman



The HSBC Group entities required to report under the Act are:

Entity	Date of Approval
HSBC Holdings plc	19 February 2026
HSBC Alternative Investments Limited	18 February 2026
HSBC Asia Pacific Holdings (UK) Limited	10 February 2026
HSBC Bank plc	17 February 2026
HSBC Equipment Finance (UK) Limited	17 February 2026
HSBC Finance (Netherlands)	10 February 2026
HSBC Global Asset Management (UK) Limited	18 February 2026
HSBC Global Asset Management Limited	20 February 2026
HSBC Global Services (UK) Limited	11 February 2026
HSBC Global Services Limited	11 February 2026
HSBC Group Management Services Limited	11 February 2026
HSBC Holdings B.V.	9 February 2026
HSBC Innovation Bank Limited	12 February 2026
HSBC Investment Bank Holdings Limited	10 February 2026
HSBC Invoice Finance (UK) Limited	17 February 2026
HSBC Latin America Holdings (UK) Limited	19 February 2026
HSBC Life (UK) Limited ¹	27 January 2026
HSBC Overseas Holdings UK Limited	10 February 2026
HSBC UK Bank plc	17 February 2026
Marks and Spencer Financial Services plc	13 February 2026

¹ HSBC Life (UK) Limited was sold in January 2026

26 February 2026

