

"I am pleased to confirm that Ceylon Asset Management Co. Ltd. reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption. In this Communication on Progress, we describe our actions to integrate the Global Compact and its principles into our business strategy, culture and daily operations. We are also committed to share this information with our stakeholders using our primary channels of communication."

Yours sincerely,

Dulindra Fernando
Managing Director
Ceylon Asset Management Co. Ltd., COP for 2013

HUMAN RIGHTS PRINCIPLES

"Ceylon Asset Management's goal is to influence that our employees and all our business partners respect the Universal Declaration of Human rights and environmental protection. Based on our commitment we have set up a Code of Conduct, which complies with international standards."

Implementation

"Ceylon Asset Management has taken the following measures to prevent human rights violations in its work locations:

- A training session has been conducted for all employees to raise the public awareness on human rights issues.
- Responsibilities have been allocated for the respect and support of Human Rights within the company.
- Human resources and other policies and procedures are in place relating to Human Rights.

Measurement of outcomes

"Senior Management of Ceylon Asset Management will audit and evaluate all partners against a set of defined principles, policies and guidelines. Any contravention of human rights will be documented and the responsible partner will be placed on probation and given a timeframe to address and resolve the issue. Continued non-compliance will result in the partner relationship being terminated."

LABOUR PRINCIPLES

"Our company handbook and policies clearly indicates the right for collective bargaining. It covers policies concerning our employee rights, compensation and responsibilities. We assess labor related risks. We have a dedicated resource that monitors and mandates environmental and safety risks. Refining of the employee handbook as per the requirements will be conducted on a continuous basis."

Implementation

"All employees and their immediate family members are entitled to medical insurance. To improve the quality of life of employees and their families, they are offered an annual fully paid weekend in a resort."

Measurement of outcomes

"We have an employee satisfaction survey on 3.75 on a 1-5 scale, where 5 is the best possible. (target is 4)."

ENVIRONMENTAL PRINCIPLES

“Being office based, the nature of the operations makes the Company’s direct environmental impact relatively small. The environmental impact is mostly indirect, via clients, businesses and suppliers. We are a local Fund Management Company, which enables us to influence the environmental awareness and work of our stakeholders.”

Implementation

We installed energy saving air conditioners and maintain a temperature of 24c within the office, in order to contribute towards energy saving. Further, energy saving bulbs are used throughout the office.

Measurement of outcomes

“The air-conditioning and bulbs allow increasing the efficiency of the energy consumption”

ANTI-CORRUPTION PRINCIPLES

“Ceylon Asset Management has a zero-tolerance policy for corruption, bribery and extortion. Being a local fund Management Company, the funds are in the custody of the Trustee and Custodian, which is Deutsche Bank AG, Colombo Branch. Our 2013 goals for the company are to continue to provide for all level of employees up to management about corruption, as well as what to do if one should encounter it.”

Implementation

“The Funds of the investors are not allowed into the company but deposited on to separate Fund Accounts. The Officers and Agents of the Company are prohibited from accepting cash deposits from the investors. The valuation of Units are done on a daily basis both by the Company and the Trustee. The official rates are published on daily newspapers. The redemption cheques are given by the Trustee on the name of the investor.”

Measurement of outcomes

“Ceylon Asset Management Co. Ltd. has not been involved in any legal cases, rulings or other events related to corruption and bribery. An external audit company does six separate internal audits on the funds on an annual basis and the annual report is circulated amongst all investors. A separate audit is carried out by another external audit firm on the company on an annual basis and the reports are circulated amongst the shareholders. These audits are used as one of the methods of identifying any suspicious payments which could be related to bribery or corrupt behavior. There has been no such incident reported in the period.”