



UN Global Compact

2019 Communication on Progress



Chairman's statement

31 May 2019

Dear stakeholders:

As a Hong Kong-based comprehensive financial institution, AMTD Group has joined the world's largest framework, Global Corporate Citizenship Initiative since 2017. With the charitable spirit of "giving back to the community and upholding its social responsibility", AMTD Group and AMTD Foundation have continued to take measures addressing corporate social civic responsibilities in every aspect by supporting charity events and talent cultivation, aiming to promote the sustainability of the Group.

A year has passed, AMTD Group and I are always committed to respecting and implementing UN Global Compact's Ten principles on Human Rights, Labour Standards, the Environment and Anti-Corruption, with a goal to contribute to the sustainable economic growth of the world. As a Young Global Leader of the World Economic Forum and a "global citizen", I am pleased to confirm that AMTD Group reaffirms its support to the Ten Principles of the United Nations Global Compact.

All in all, we are devoted to contributing to the sustainable economic growth of the world. As reflected in the details in this annual Communication on Progress, we have several commitments and activities in place pertaining to the principles of the UN Global Compact. We are also committed to sharing this information with our stakeholders using our primary channels of communication.

Sincerely yours,

Calvin Choi
Chairman & CEO

1. Human Rights

AMTD Group has always been committed to upholding the internationally proclaimed human rights.

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights

Principle 2: Make sure that they are not complicit in human rights abuses

AMTD Foundation, founded in 2016, is a grant-making foundation which aims to drive positive and sustainable social change in youth innovation education and social welfare services. It continuously supports and monitors programs that enrich youth's health, education, and protection over the years. To name a few, AMTD Foundation has collaborated with local renowned non-profit organizations like Caritas, to offer relief and rehabilitation services to the poor and the distressed by continuing our sponsorship and support to its TV charity show after having done so for more than 10 years. AMTD Foundation, as a Strategic Partner to the Hong Kong Playground Association, has also co-organised the "Crate Climbing" competitions with a view to promoting sports amongst youth in Hong Kong.

"Education is the most powerful weapon which you can use to change the world", and AMTD Group and AMTD Foundation both believe in the power of education. In January 2019, AMTD Foundation, in collaboration with the University of Waterloo, created a new scholarship as well as a post-doctoral fellowship program designed to grow the global talent pool. Firstly, the Donna Strickland Physics Scholarship, in honour of Donna Strickland, a 2018 Nobel laureate, was established to show our commitment to train and equip the young talents. Secondly, we have also created a post-doctoral fellowship program designed to give outstanding post-doctoral students from top universities the opportunity to join one of the two fellowship streams at the University of Waterloo, with one focusing on deep dive research and the other focusing on commercialization, innovation, and entrepreneurship.

In order to promote youth development, innovation, and talent cultivation in the Greater Bay Area, AMTD Group led the establishment of the Greater Bay Young Entrepreneurs Association. In addition, our Chairman and CEO, Calvin Choi, is also appointed as the Vice Chairman of the Greater Bay Area Homeland Youth Community Foundation, a development fund aiming to boost technological innovation in the Greater Bay Area, and to fully support Hong Kong's youth in their studies, employment, and entrepreneurship.

AMTD Foundation and our Chairman and CEO Mr. Calvin Choi, acting as the Board Director of OneChild, continued to show our support to OneChild on its mission to improve children and youth welfare globally, and to free children from sexual exploitation. In addition, our Group respects and

supports human rights and non-discrimination, especially on the equality of women. We respect and agree with the vision and mission of Ariana Magazine, with its mission to shed light on injustices such as gender discrimination across the region and beyond, and had financially supported the magazine.

AMTD Group respects and supports the fundamental human rights, and, through the company's 'Code of Conduct', shows our care and attention to our employees and key aspects of the company's approach to human rights, by stating the responsibilities and benefits that the Group expects our employees to have.

1.1 Our measurement of outcomes

- AMTD Foundation continuously supports youth innovation education and social welfare services over the years.
- In April 2018, AMTD Group, AMTD Foundation and Hong Kong Polytechnic University announced the establishment of the first industry-university collaborative FinTech Centre, "AMTD FinTech Centre of PolyU Faculty of Business" in Hong Kong. Apart from collaborating with local universities, AMTD Group co-established "University of Waterloo-AMTD Innovation Hub" with the University of Waterloo to jointly advance the Artificial Intelligence Project, improve Hong Kong's competitiveness in innovative technology and lay the strong foundation for the long-term development of local FinTech industry.
- A new scholarship named after Donna Strickland, a 2018 Nobel laureate, and a post-doctoral fellowship program was established in collaboration with the University of Waterloo, designed to grow global talent
- Greater Bay Young Entrepreneurs Association is established to promote youth development and innovation and talent cultivation in the Greater Bay Area
- Our Chairman and CEO, Calvin Choi, was appointed as the Vice Chairman of Greater Bay Area Homeland Youth Community Foundation to support Hong Kong's youth in their studies, employment, and entrepreneurship

1.2 News References

Post-doctoral fellowship program

- <https://uwaterloo.ca/impact-stories/developing-global-talent>
- <https://uwaterloo.ca/graduate-studies-postdoctoral-affairs/news/multi-million-dollar-alumni-donation-supports-postdocs-and>
- <https://www2.hkej.com/instantnews/hongkong/article/2079944>

Greater Bay Young Entrepreneurs Association

- <https://gbyea.asia/>

- <https://www.info.gov.hk/gia/general/201901/23/P2019012300149.htm>

Greater Bay Area Homeland Youth Community Foundation

- <https://www.chinadailyhk.com/articles/231/253/59/1544631730767.html>
- <https://en.prnasia.com/releases/apac/greater-bay-area-homeland-youth-community-foundation-helps-young-people-to-develop-in-the-greater-bay-area-237663.shtml>

2. Labour

AMTD Group is always committed to creating and providing an inclusive, open and equitable environment for employees with different backgrounds, lifestyles, needs and expectations.

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining

Principle 4: Elimination of all forms of forced and compulsory labour

Principle 5: Effective abolition of child labour

Principle 6: Elimination of discrimination in respect of employment and occupation

AMTD Group is an equal opportunity employer and welcome applications from all qualified candidates. We are committed to creating and providing an inclusive, open and equitable environment for individuals with different backgrounds, lifestyles, needs and expectations. AMTD Group values every contribution brought by all employee, and provides support to facilitate their continuous contribution to the workplace. Thus, there is no official retirement age within AMTD Group. We do not mandate retiring at the age of 60. A few of our senior management team members, who have passed the age of 65 but still capable of work and contribute to the firm's growth, are welcomed to stay and continue working for the firm. AMTD Group also pays close attention to discrimination. We believe that no employees shall be subject to any discrimination, such as gender, age, disability or nationality, during the hiring, compensation determination, or promotion consideration process. We are committed to hiring, retaining and promoting more female employees across the firm. We refine our HR processes to help better retain female employees at all career stages. We sincerely respect the importance of providing equal job opportunities for working women.

AMTD Group actively supports paid maternity and paternity leaves as well. Respecting the challenges of working moms, we had allocated space for a nursing room in our office. Our employee welfare program strives to help each employee strike the necessary work-life balance. Our range of benefits focuses on our employees holistically, for example, we provide daily complimentary breakfast and lunch for all employees as well as offering fruits and snacks regularly. From time to time, the firm also arranges social activities for staff and their friends and families, such as movie screening and sports games. AMTD Group values every employee as a precious resource, so the firm strives to build a healthy and work-life balanced working environment for them.

AMTD Group also encourages employees to enrich their professional skills through continuous learning from workshops, fireside chats, and panel discussions from renowned CEOs or veteran

speakers from different industries. In March 2019, AMTD Group and The University of Waterloo jointly held a fireside chat on the topic of “Cybersecurity and Privacy”, aimed to raise the awareness of Internet safety issues amongst our employees as it is important for them to understand the risks involved, especially when AMTD Group is a comprehensive financial institution.

Furthermore, we provide various forms of support to our employees who want to pursue a higher education qualification, ranging from financial sponsorship, flexible working hours, and examination leaves.

2.1 Our measurement of outcomes

- AMTD Group pays close attention to discrimination in terms of gender, age, disability or nationality, and welcomes employees of age over 65 to continue working at the firm
- Supports and encourages female employees, evaluates their work equally and fairly, with a nursing room set up for working mum
- Offers financial sponsorship, flexible working hours and examination leaves for employees
- Thoughtful employees’ welfare program including free breakfast and lunch, movie screening etc.
- Organize training for employees through workshops, panel discussion, fireside chats

3. Environment

As a comprehensive financial institution, AMTD Group is willing to undertake the initiatives and responsibility to promote environmental and social well-being.

Principle 7: Businesses should support a precautionary approach to environmental challenges

Principle 8: Undertake initiatives to promote greater environmental responsibility

Principle 9: Encourage the development and diffusion of environmentally friendly technologies

AMTD Group is committed to promoting green pantry and washroom at our headquarter, especially when we provide free meals for our employees. We use reusable tableware such as dishes, forks, spoons, chopsticks, and cups. We order the meals based on the numbers of employees signed up for breakfast and lunch to minimise the waste of food and drinks. Moreover, we remind our staff regularly not to be wasteful in the use of water and paper towels in the washroom. Notices and memo are being posted/circulated frequently to remind our employees the importance to adhere to such policies.

AMTD Group also contributes to environmental protection indirectly by supporting environmental construction and development through financing green or environmental companies. In April 2018, AMTD Group acted as the Joint Bookrunner and Joint Lead Manager in assisting Envision Energy, an alternative energy equipment supplier, to complete its Green Bond offering. Later in December 2018, AMTD Group assisted another client, New World Development, a Hong Kong blue-chip company and a green organisation that received the Hong Kong Awards for Environmental Excellence, to complete its first-ever green bond offering, with AMTD Group acting as the Joint Bookrunner and Joint Lead Manager. AMTD Group fully supports and appreciates the sustainability vision that green, smart and healthy living is a priority to build sustainable communities.

Avoid any unnecessary printing, recycle unused papers, and manage waste effectively are common eco-friendly ways to accomplish the goal. Our employees are encouraged to use emails or digital presentation materials instead of printing paper in the workplace whenever possible. Also, office printer has been set as default to print double-sided and log in using an access card is required for any printing to reduce wasteful use of printing paper. Undoubtedly, we fully support recycling initiatives. We provide boxes and bins that are located next to the printers for recyclable paper. Employees are also encouraged to use recycled paper for non-official documents printing.

Apart from promoting eco-friendly initiatives in the working area, we also encourage the re-use of our branding materials such as venue decorations and brochures for our corporate events. We try to

minimize creating materials that can only be used for one time. From both the business perspective as well as internal protocol, AMTD Group will continue to create an impact to protect our environment directly and indirectly.

3.1 Our measurement of outcomes

- Support environmental construction and development through financing green or environmental companies such as assisting the completion of green bond offering for Envision Energy and New World Development, as well as assisting China Boqi Environment in its initial public listing
- Avoid using disposable utensils when offering breakfast and lunch to employees
- Minimize the use of printing paper and reuse of branding material
- Continue to use the AMTD Portal to digitalize our daily workflow and employees are encouraged to use double-sided printing.

3.2 News References

- http://www.amtdgroup.com/en/pr_2018_11_29
- http://www.amtdgroup.com/en/pr_2018_03_18
- http://www.amtdgroup.com/en/pr_2018_05_09

4. Anti-Corruption

AMTD Group is committed to undertaking the initiatives and responsibility to promote business integrity and ethics in its workspace.

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

AMTD Group has established its Anti-Corruption Discipline Committee since 2018, which is chaired by Mr. Sin Yat Kin, the Group's Chief of Staff and a former Commissioner of Correctional Services of the Hong Kong Special Administrative Region Government. The Anti-Corruption Discipline Committee is responsible for AMTD Group's internal anti-corruption work and discipline management system, reports to the Board of Directors, and aims to continuously improve the firm's corporate governance structure. As the Chief of Staff of the Group, Mr. Sin monitors the adherence to and reminds every employee regularly of our compliance policies, with an aim to maintain a corporate culture of justice, honesty and virtue.

AMTD Group's Compliance team has also updated the Anti Money Laundering (AML) and Counter-Terrorist Financing (CTF) Policy to fulfil the latest regulatory requirement. The team has been closely monitoring the upcoming trends in the industry to ensure that the Group's anti-corruption measures comply with international standards.

As we had in the past, AMTD will continue to commit to the concept of "Compliance, Professionalism, Integrity, and Justice" and continues to strengthen the anti-corruption and compliance education for internal employees, and requires all employees to strictly abide to the expected discipline and ethics of financial professionals and hold reverence toward discipline.

4.1 Our measurement of outcomes

- Anti-Corruption Discipline Committee was established in 2018 and worked well over the years
- Updated the Anti Money Laundering and Counter-Terrorist Financing Policies to fulfil the latest regulatory requirement



WeChat



Twitter



LinkedIn



Facebook

