



We Innovate We Build

**UN Global Compact
2021 Communication on Progress**



Chairman's statement

31 May 2021

Dear stakeholders:

As a leading comprehensive financial services conglomerate, AMTD Group has been actively supporting the world's largest sustainability framework, Global Corporate Citizenship Initiative since 2017, and is always committed to "giving back to the community and upholding its social responsibility". AMTD Group and AMTD Charity Foundation have continued to deliver on our corporate social and civic responsibilities in every aspect by supporting a wide range of philanthropic events, sustainability initiatives, and talent cultivation programs.

As the Chairman and CEO of AMTD Group, my mission is clear: show our commitment and respect to UN Global Compact's Ten Principles in the areas of Human Rights, Labour, 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 be contributing to this very meaningful mission, and ensure that AMTD Group adheres to the Ten Principles of the United Nations Global Compact.

Last but not least, I want to re-emphasize AMTD Group's passion and dedication to ensure and promote sustainable economic growth and development in the world. As set out in detail in this annual Communication on Progress, we have summarized our efforts to enhance the integration of the Global Compact and its principles into our business strategy, culture, and daily operations. 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

01

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

02

Make sure that they are not complicit in human rights abuses

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

Established in 2016 by Mr. Calvin Choi, Chairman & CEO of AMTD Group, AMTD Charity Foundation is tasked to fulfil the commitment of Mr. Choi and AMTD Group in giving back to the society and upholding social responsibilities. AMTD Charity Foundation has been putting in great efforts to drive positive and sustainable

social change in youth innovation, education, and social welfare services. It continues to support and monitor programs

that enrich youth's health, education, and protection over the years.

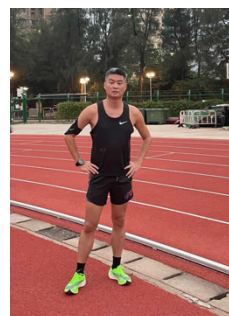
In 2020, AMTD Charity Foundation has continued to partner with Caritas, a locally renowned establishment which offers relief and rehabilitation services to the poor and distressed, and supported its annual TV charity show for the 13th consecutive year, helping it reach its



AMTD executives led a team of volunteers to help with the Caritas Charity Show

annual fundraising goal by raising HK\$8 million from the show, allowing it to continue providing its community services to those in need.

As AMTD Group expands its footprint to other parts of Asia, so have we expanded our support to the local community outside of Hong Kong. As a start, AMTD became the Platinum Partner to the 2020 SGX Bull Charge Virtual Charity Run, and despite the pandemic and geographical distance, AMTD fully supported the SGX Bull Charge's first ever virtual charity run, where our staff from AMTD Group as well as its subsidiaries and portfolio companies in HK, Singapore, and other parts of Asia actively participated in this meaning and healthy event.



Calvin Choi (top right) and Mark Lo (top left) leading the team to participate in the SGX Bull Charge Virtual Charity Run

COMMUNITY CHEST MINISTERIAL VIRTUAL LUNCHEON

FRIDAY, 23 OCTOBER 2020



Calvin Choi (top row, 2nd left) participated in the Community Chest (Singapore) ministerial virtual lunch

Furthermore, AMTD Charity Foundation has also collaborated with the Community Chest in Singapore and donated a total sum of SGD 500,000 to support its various programme designed to benefit the different local communities in need.

Since joining as a founding member to the non-profit organization, Shared Value Initiative Hong Kong, AMTD has been actively participating in its committee discussions and initiatives, supporting its mission to advocate for business strategies that creates competitive advantages vis alignment of profits and purposes. The established trust with society also results in profitable business models that address unmet community needs.

It is also a firm belief of AMTD Group and AMTD Charity Foundation that “Education” is the most powerful and effective channel to change the world. On top of continuing to support the established AMTD Waterloo Global Talent Postdoctoral Fellowships, as well as the AMTD FinTech Centre of PolyU Faculty of Business conferring the Doctoral degree in FinTech, AMTD has since established the AXSI Singapore Digital Finance Leadership Programme in collaboration with Xiaomi, Singapore Management University, and



AMTD hosting and participating in Shared Value Initiative (HK) committee meetings and trainings

AXSI DIGITAL FINANCE LEADERSHIP PROGRAMME 18 JUNE 2020



AXSI Digital Finance Leadership Program first batch of student (bottom left) and receiving their certificate (bottom right); MOU signing ceremony for AMTD-HKUST collaboration (top right)

National University of Singapore in an effort to nurture young and rising leaders in the FinTech / digital finance space, and has seen its first two classes of graduates in December 2020 and February 2021 respectively. Additionally, AMTD has entered into a new strategic partnership with The Hong Kong University of Science and Technology to groom talented entrepreneurs and innovators for the Greater Bay Area and Southeast Asia.

Continuing on its ongoing partnership with the Hong Kong Trade Development Council,

AMTD Group has supported the 3rd Start-up Express program, providing mentorship and connectivity to local young entrepreneurs and start-ups, despite the pandemic.

On the FinTech front, as the first corporate founding member of AFIN (ASEAN Financial Innovation Network), a non-profit organisation established by the Monetary Authority of Singapore, the International Finance Corporation, World Bank Group, and the ASEAN Bankers Association, AMTD has continued to work closely with AFIN to support the FinTech community in the ASEAN countries, facilitating innovation and cooperation between financial institutions and FinTech firms. The aim is to expand access to and usage of financial services of the unbanked and underbanked across the ASEAN region. Since the establishment of the AMTD ASEAN-Solidarity Fund, we have provided grants as well as making investments into a number of leading FinTech companies in the region, amounting to over S\$8.6 million, helping them to weather through the pandemic and supporting their innovation.



AMTD supporting HKTDC Startup Express Program Pitching Final (top), mentoring session for winners (bottom left), and Entrepreneur Day (bottom right)



Official launch of Airstar Bank to public in June 2020

that historically have had difficulties to obtain service from traditional banks.

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 to shed light on injustices such as gender discrimination across the region and beyond, and has financially supported the magazine over the years.

Last but not least, AMTD Group respects and supports the fundamental human rights. In the company's 'Code of Conduct', we show our care and attention to our employees and key aspects of the company's approach to human rights, by stating clearly what the obligations and responsibilities of our employees, and at the same time, ensuring that our

Airstar Bank, one of the eight licensed virtual banks in Hong Kong and a joint venture between AMTD Group and Xiaomi Corporation, has officially launched its service to public in Q2 2020. Its mission is to embrace innovation, financial inclusion, and green finance, and the objective of lowering the barrier for the unbanked and underbanked to access financial services through innovative technology. It has since expanded service to provide both savings deposit and loans, targeting the small and medium enterprises

staff are provided with safe and suitable work facilities, as well as setting policies to protect workers from workplace harassment.

Measurement of Outcomes



- ❑ AMTD Charity Foundation continues to support youth innovation education and social welfare services over the years, sponsoring charity such as Caritas, Community Chest, as well as the SGX Bull Charge initiative.
- ❑ AMTD ASEAN-Solidarity Fund continues to provide support to FinTech companies in the region by providing grants and investments to help them weather the impact from the COVID-19 pandemic
- ❑ Continue to be an active founding member of Shared Value Initiative Hong Kong to promote the shared value concept whereby companies define their business strategy by creating measurable economic benefits while identifying and addressing social problems that intersect with the business
- ❑ Through the “University of Waterloo – AMTD Innovation Hub” and “AMTD FinTech Center to PolyU Faculty of Business”, as well as the newly established “AXSI Digital Finance Leadership Programme”, AMTD continues to contribute to the enhancement of youth and talent exchanges and cultivation
- ❑ Through the Greater Bay Young Entrepreneurs Association, and the Start-up Express Programme, AMTD continues to support the start-up community and to promote innovation and talent cultivation in the Greater Bay Area
- ❑ Our Chairman and CEO, Calvin Choi, as the Vice Chairman of Greater Bay Area Homeland Youth Community Foundation, continues to support Hong Kong’s youth in their studies, employment, and entrepreneurship
- ❑ Through Airstar Bank and AFIN, AMTD is committed to support financial inclusion and innovation

2 Labour

03

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

04

Elimination of all forms of forced and compulsory labour

05

Effective abolition of child labour

06

Elimination of discrimination in respect of employment and occupation

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

AMTD Group is an equal opportunity employer and welcomes 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 employees, and provides support to facilitate their continuous contribution to the workplace. For instance, there is no official retirement age for employees working in AMTD Group. We do not mandate our staff to retire after reaching a specified age. A few of our senior management team members are over 65 years' of age.

They are still capable of working and are welcomed to

stay and contribute to the firm's growth. AMTD Group also pays close attention to ensure there is no discrimination within our organisation. We believe that no employee shall be subject to any discrimination, such as gender, age, disability or nationality, during the hiring, compensation determination, or promotion consideration process.

As an advocate for gender equality, we are committed to hiring, retaining and promoting female employees equally across the firm. We have structured our HR processes to help better retain female employees at all career stages, and ensure that employment related decisions are based on relevant and objective criteria instead of gender. We sincerely respect the importance of providing equal job opportunities to working women.

AMTD Group actively supports paid maternity and paternity leaves as well. Respecting the challenges of working moms, we have 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 offer fruits, drinks, and snacks to all employees regularly. During the COVID-19 pandemic, to ensure the health and safety of our staff, we have put in measures for self-quarantine for those who have shown symptoms of the disease (fever, cough, etc), and have provided surgical masks to all staff when there was still shortage of supply in the city. We have also set up a sanitizing station for staff and visitors, and have applied nano anti-virus spray in the office's common area to minimize infection risks.

From time to time, the firm also arranges social activities for staff and their friends and families, however, given the pandemic, most of the group activities have been suspended, but we are confident that we can resume them once the

pandemic is over. Having said that, we still encourage our staff to stay fit and exercise, and through our partnership with the SGX Bull Charge Virtual Charity Run, we have successfully engaged many of the staff to exercise more while contributing to charity at the same time. 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 hosted by renowned CEOs or veteran speakers from different industries. For example, in collaboration with SGX, we have conducted training for our front office and research staff, and recordings from online webinars are shared with staff and others for their own learning.



SGX providing training for front line staff at AMTD International, the investment banking subsidiary of AMTD Group

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

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 mothers
- ☐ Offers financial sponsorship, flexible working hours and examination leaves for employees
- ☐ Thoughtful employees' welfare program including complimentary fruits and snacks, sporting activities, free sanitizing and protective supplies, etc
- ☐ Organize training for employees through workshops, panel discussion, fireside chats

3 Environment

07

Businesses should support a precautionary approach to environmental challenges

08

Undertake initiatives to promote greater environmental responsibility

09

Encourage the development and diffusion of environmentally friendly technologies

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

AMTD Group continued its commitment to protect the environment, and it starts with its daily operation in the office. We promote green pantries and washrooms at our office. For example, when we provide complimentary 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 of adhering to such policies.

Furthermore, we remind our staff to avoid any unnecessary printing, make use of recycled or used papers if possible, and manage waste effectively. Our employees are encouraged to use emails or digital presentation materials instead of printing paper in the workplace whenever possible. Also, office printers have been configured as default to print double-sided and access card log is required for any printing to reduce wasteful printing. 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. We are also using printing paper and letterheads that are made from recycled materials.

Apart from promoting eco-friendly initiatives in the office, we also encourage the re-use of our branding materials such as venue decorations and brochures from our corporate events. We try to minimize creating materials that can only be used once. 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.

AMTD Group and AMTD Charity Foundation also led a consortium of 13 partners to jointly establish the SINGA Green Technology Centre of Excellence in Singapore, with the objective to promote education and research in green



AMTD led a consortium of 13 partners to establish the SINGA Green Technology Center of Excellence

and sustainable economic and technological development within the area of green city, green finance, green technology, green talents, and green summits.

AMTD Group also contributes to environmental protection indirectly by supporting environmental construction and development through financing green or environmental companies. We promote green finance through Airstar Bank, the joint venture virtual bank established by AMTD Group and Xiaomi Corporation, and has helped companies issue green bonds to finance their sustainability related projects. A recent example is the USD 250m Senior Green Bond offering we lead for Sinic Holdings in Jan 2021.

Measurement of Outcomes



- ☐ Support environmental construction and development through financing green or environmental companies
- ☐ Avoid using disposable utensils when offering meals to employees
- ☐ Minimize use of printing paper and reuse of branding material and recycle unused papers
- ☐ Continue to use the AMTD Portal to digitalize our daily workflow and employees are encouraged to use double-sided printing
- ☐ Energy saving mechanism in place such as sensor controlled lighting system, with automatic shutdown of lighting and air-conditioning system in meeting rooms when not in use

4 Anti-Corruption



10

Businesses should work against corruption in all its forms, including extortion and bribery

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

AMTD Group has established its Compliance, Disciplinary and Anti-Corruption Committee

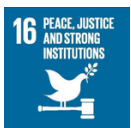
(“CDACC”) since 2018, chaired by Mr. Sin Yat Kin, the Group’s Chief of Staff and a former Commissioner of Correctional Services of the Hong Kong Special Administrative Region Government. The CDACC is responsible for AMTD Group’s internal anti-corruption work and discipline management system, reporting 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 policies, with an aim to maintain a corporate culture of justice, honesty and virtue.

Additionally, Dr. Timothy W Tong, CEO of AMTD Charity Foundation, is a member of the Advisory Committee on Corruption of the Independent Commission Against Corruption. He also serves as chairman of the Citizens Advisory Committee on Community Relations of the same organization.

AMTD Group’s Compliance team has also kept our Anti-Money Laundering (AML) and Counter-Terrorist Financing (CTF) Policy updated regularly to fulfil the latest regulatory requirements. 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 have always been in the past, AMTD commits 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.

Measurement of Outcomes



- ☐ Compliance, Disciplinary, and Anti-Corruption Committee (CDACC), established since 2018, worked well over the years
- ☐ Continue to keep the Anti Money Laundering and Counter-Terrorist Financing Policies up-to-date to fulfil the latest regulatory requirement



Wechat



Twitter



LinkedIn



Facebook

