



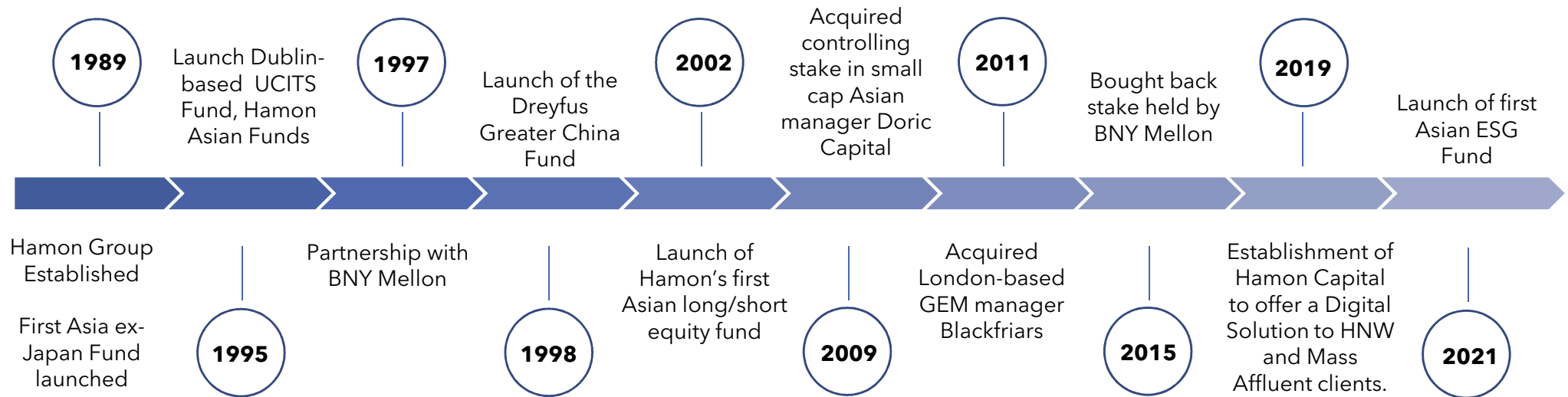
HAMON INVESTMENT

2021-2022 UN Global Compact Communication on Progress

July 2022

About Hamon Investment

- Hamon Investment was established in 1989 and has over 33 years of experience of investing in Asia, and servicing institutional investors.
- Dedicated Asia and GEM specialist based in Hong Kong and London.
- Hamon and BNY Mellon were partners for over 18 years from 1997-2015, with Hamon managing Asian and GEM portfolios for the BNYM Group
- Hamon is licensed in Hong Kong, Ireland, and the UK, and registered with the Korea FSC.



Hamon's Commitment to Sustainability

- Hamon Asset Management was one of the first HK-based Asset Managers to be a supporter of the Task Force on Climate-related Financial Disclosures (TCFD) <https://www.fsb-tcfd.org/tcfd-supporters/>
- We are an active member of the Asia Investor Group on Climate Change (AIGCC) and Climate Action 100+, organizations which engage the world's largest corporate greenhouse gas emitters on climate change. <https://www.aigcc.net/members/>
- Hamon is a Signatory to the U.N. Global Compact, accepting fundamental responsibility in the areas of human rights, labour, environment and anti-corruption both in our business and in our investments. <https://www.unglobalcompact.org/what-is-gc/participants/140587>

WE SUPPORT



**ASIA
INVESTOR
GROUP
ON
CLIMATE
CHANGE**



TCFD | TASK FORCE ON
CLIMATE-RELATED
FINANCIAL
DISCLOSURES

Statement of Continued Support by the Chief Executive Officer

To Our Stakeholders:

Hamon Investment Management Limited is proud to be a member of the United Nations Global Compact (UNGC) since 2020. Our team members respect and observe the ten principles of the UNGC in the four areas of Human Rights, Labour, Environment and Anti-Corruption. These principles have long been embedded in our corporate culture.

In this report we describe how we practice these principles in our daily operations, and how we monitor and measure the outcomes.

We are pleased to reaffirm our commitment to the ten principles of the UNGC and will continue to improve ourselves and influence others to join our league for the betterment of our society and the world.

Hugh A. Simon
Chief Executive

July 2022

Human Rights

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

Principle 2: We make sure that our business is not complicit in human rights abuses.

- We respect diversity in the work place, and offer equal opportunity of employment regardless of age, gender, marital status, race, religion, disability and sexual orientation.
- We have a strong sense of social responsibility and recognize the merit of giving back to society.
- We strictly observe personal data privacy of both our staff and our clients. Guidelines on personal data protection are conveyed to staff and set out in our Staff Handbook, Compliance Manual and client communications.

Measurement Outcomes:

- 44% of our staff are men and 56% are women. The gender ratio has been constant at Hamon over the last few years.
- We are always mindful of our social responsibilities, and have contributed to building a school in China, and a hospitality training school in Vietnam for the under-privileged youth.
- Personal information are safeguarded by passwords and hard copies securely locked up and only for a period as required by applicable law and/or regulatory authorities. They are then shredded and disposed of properly.
- There has been no incident of violation of the UNGC principles of Human Rights in the company and we will continue to uphold these principles and monitor our progress.

Labour

Principle 3: Our business upholds the freedom of association and the effective recognition of the right to collective bargaining.

Principle 4: We prohibit forced and compulsory labour.

Principle 5: We support the effective abolition of child labour.

Principle 6: We are strongly against discrimination in respect of employment and occupation.

- We foster an open and friendly culture within the organization, where staff can express their views freely, and the exchange and cross-fertilization of ideas are encouraged.
- Organizational hierarchy is flat with the Chief Executive having an "open door" policy to discussions and grievances.
- Staff health and safety are our top priorities. We ensure that our staff are working in a safe, friendly and healthy environment.
- We respect work-life balance and encourage our staff to exercise and join fitness programs.
- Grievance procedures are in place and documented in our Employee Handbook.
- We encourage staff development through training and continuing education to enhance their areas of expertise within investment or administrative areas.

Labour (cont'd.)

Measurement Outcomes:

- Through multiple channels, both formal and informal, such as physical meetings, emails, Zoom, Whatsapp etc., staff can communicate with one another to ensure open, swift and effective exchange of ideas.
- Staff Attrition is low with over 75% of staff having worked with the company for over 3 years and at least 50% over 5 years.
- Over 95% of staff are permanently employed with part time employees hired to supplement if required.
- Staff parties are held monthly to celebrate birthdays to enhance cohesion and friendship. Staff lunches/dinners are also organized to celebrate special occasions and festivals.
- Staff are entitled to study leave in preparation for exams relating to his/her profession such as the CFA, SFC certification, compliance training etc.
- With the outbreak of the Covid-19 pandemic, we conducted and continue to conduct special cleaning and disinfection of the whole office. We stepped up on air quality control by installing air purifiers where needed and made adjustments to the overall safety and cleanliness of the office environment.
- Work-from-home schedules were implemented during the peak waves of the Covid-19 pandemic. Staff have the option to work-from-home if they prefer during the pandemic, and sick leave with full pay were granted to those who contacted Covid up to full recovery.
- No staff were made redundant during the Covid pandemic.
- There has been no incident of violation of the UNGC principles of Labour rights in the company, and we will continue to uphold these principles and monitor our progress.

Environment

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

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies.

- We have adopted an ESG framework within our business utilizing scorecard approach to select investments which have positive materiality from Environmental, Social and Governance factors as well as a long-term climate goal.

Measurement Outcomes:

- We have reduced our usage of printed materials and colour printing, saving photocopier paper and printer toner. We reuse the blank side of printed reports as scrap paper, reducing our need for notebooks.
- We encourage the use of tablets/other electronic means to store, view, and send documents as much as possible to reduce paper usage and waste.
- We have reduced our usage of paper cups, substituting it with washable glassware and plates for official use. The water used for cleaning is recycled by the office property's grey water system.
- We encourage our staff to bring and use their own cutlery for meals to further avoid waste.
- Waste paper and cardboard is collected bi-weekly for recycling by an independent contractor.
- Office lighting is switched off every evening to reduce energy usage.

Anti-Corruption

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

- Our business is a regulated activity in Hong Kong, which complies with both individual and company licenses issued by the Securities & Futures Commission, Hong Kong (HK SFC). Additionally, several staff are CFA Charterholders, which require that they comply with the CFA Ethics and Asset Manager Code of Conduct.
- Guidelines on accepting items of value, including meals, are conveyed to staff and set out in our Employee Handbook, Compliance Manual, and client communications.

Measurement Outcomes:

- Any gift received is documented, as per the Employee Handbook, and a compliance form filled in with the approval of the Chief Compliance Officer (CCO).
- There has been no incident of violation of the UNGC principles of Anti-Corruption in the company, as we operate as an investment fund. We will continue to uphold these principles and monitor our progress.
- There have been no ethics breaches of our licenses or of the Codes of Conduct.

Important Information

Hamon Asset Management Limited is licensed with the Securities and Futures Commission (SFC) in Hong Kong to carry on Type 4 (Advising on Securities), Type 5 (Advising on Futures Contracts), and Type 9 (Asset Management) regulated activities. Hamon Investment Management Limited is licensed with the Securities and Futures Commission (SFC) in Hong Kong to carry on Type 4 (Advising on Securities), Type 5 (Advising on Futures Contracts), and Type 9 (Asset Management) regulated activities. Hamon Asian Advisors Limited is licensed with the Securities and Futures Commission (SFC) in Hong Kong to carry on Type 4 (Advising on Securities) and Type 9 (Asset Management) regulated activities.

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