



Disclosure on Climate-related Risks

Introduction

With the recent initiative to develop Hong Kong into a leading hub for green and sustainable finance within the Greater Bay Area and internationally, this document sets out Pickers Capital Management Limited's ("Pickers", "We", "Our", "The Company") commitment to identify and assess climate-related risks, which shall be considered under the Company's overall strategy for investment.

Note: The information contained herein applies to Type-9 licensed Collective Investment Schemes (CIS) funds managed by Pickers pursuant to the Fund Manager Code of Conduct and the Circular to Licensed Corporations – Management and Disclosure of Climate-related Risks by Fund Managers published by the Securities and Futures Commission of Hong Kong.

Governance

Our Board of Directors ("the Board") oversees the incorporation of climate-related considerations into the Company's investment and risk management processes.

Senior Management from the Investment, Risk and Compliance teams report to the Board on a quarterly basis to keep the Board abreast of climate-related issues and the Company's progress in addressing such issues.

The Board reviews the Company's approach towards sustainability at least annually to ensure effective integration and monitoring of climate-related risks and opportunities in the investment and risk management processes.

Management Responsibility

Senior Management from our Investment, Risk and Compliance teams are responsible for implementing and monitoring the status and progress of efforts to manage climate-related risks.

Our Chief Investment Officer is responsible for incorporating environmental, social and governance ("ESG") factors into the investment process to identify and assess climate-related risks and opportunities relevant to each investment strategy and fund.

Our Manager-in-Charge of Risk Management is responsible for monitoring the status and progress of efforts to manage climate-related risks across portfolios and to inform the Board of any material climate-related issues.

Our Manager-in-Charge of Compliance reviews regulatory developments on an ongoing basis to keep up-to-date with climate-related regulations and to ensure policies and procedures are in place for compliance.

Our professionals keep up with the latest trends of climate-related issues by attending climate competence and related training, enhancing Pickers' sustainability journey. Our Board, where necessary, will also seek professional advice from external ESG experts to better support the decision-making process.

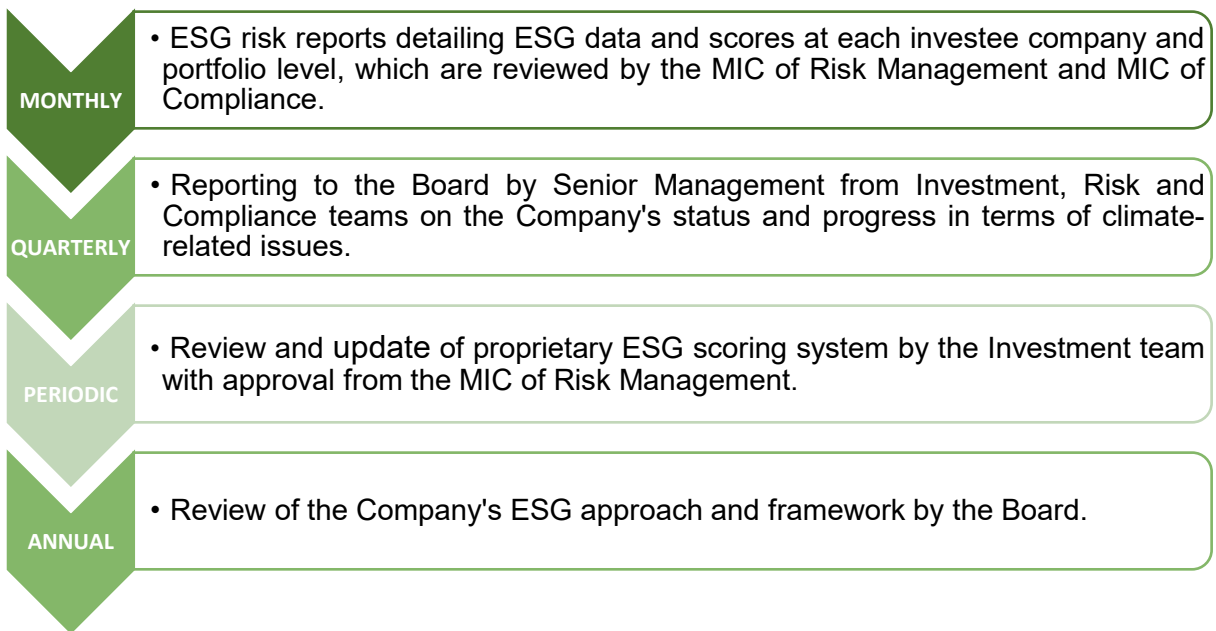


Investment Management

Pickers' Investment team identifies relevant and material physical and transition climate-related risks in respect of our investment strategies and funds. Climate-related data is incorporated into investment research and analysis to assess the impact of climate-related risks on underlying investments. Quantitative and qualitative parameters relevant to each area of ESG (e.g. greenhouse gas emission) are used to assess climate-related risks and form the basis of a proprietary factor-weighted ESG scoring system which facilitates monitoring and setting benchmarks and comparisons between companies and at the portfolio level. Weekly Investment team meetings to review fundamental research and portfolio construction include discussion on climate-related risks and opportunities.

Risk Management

In order to ensure that appropriate steps have been taken to identify, assess, manage, and monitor relevant and material climate-related risks, Pickers conducts ongoing assessments which include:-



Any significant issues identified during risk monitoring will be escalated to the Board and dealt with promptly.