



Modern Slavery Statement Tactical Global Management Limited

February 2021

Document Control

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Drafted by: Director Human Resources

Approved by: Chief Executive Officer

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1 Introduction

This Modern Slavery Statement outlines the steps Tactical Global Management Limited (TGM) has taken to prevent modern slavery and human trafficking in our business and supply chains globally during the financial year ending 31 December 2020. It is the first report under the *Australian Modern Slavery Act 2018* (Cth) and is also made pursuant to the *Modern Slavery Act 2015* (UK) by Tactical Global Management Limited (TGM) (ABN: 35 077 796 411) and TGM Europe (ACN: 12572844).

TGM considers it best practice to provide a voluntary modern slavery statement despite being a boutique size company that falls below the requisite revenue threshold for submission and reporting to the Australian Border Force. This statement is available via the TGM website.

Modern slavery includes the most serious forms of human exploitation and takes many forms including: trafficking in persons; slavery; servitude; forced marriage; forced labour; deceptive recruiting for labour or services, and forms of child labour.

At TGM we have zero tolerance for all forms of modern slavery and human trafficking. This statement outlines our commitment to supporting fundamental human rights and the steps we have taken to prevent modern slavery in our business and supply chains.

2 About TGM

TGM is a boutique investment management organization providing tailored investment solutions for clients including rebalancing and currency hedging overlays, a low volatility equities strategy and systematic global macro and currency alpha strategies. We manage over \$29b across our investment products, including execution services, using exchange traded futures, options, ETFs, swaps and forward foreign exchange contracts. TGM is also supporting and promoting Sustainable Impact Investing opportunities in both Australia and developing countries.

We have extensive experience in managing investment programs for institutional clients globally including pension funds, insurance companies, fund managers, banks, endowments, and charities.

TGM employs less than 20 permanent staff in its Brisbane office across 3 key areas of the business including the following groups:

- Investment Strategies – including the Investment Strategies & Research team and the Implementation & Trading team;
- Investment Services – including the Fund and Regulatory Compliance and Operations team, Marketing, and
- Corporate – including the Finance and Technology Solutions teams and Human Resources

TGM has a supply chain made up of more than 45 contracted suppliers. Supply chain relationships include suppliers from the following key sectors: information services, technology services, property services, business processes, logistics, consulting and professional services, marketing, office supplies and stationery and financial services.

TGM endeavours to conduct business with suppliers that have similar values, ethics and sustainable business practices as they relate to the protection of human rights and the mitigation of modern slavery risks.

3 Risk of exposure to modern slavery

As an investment management organization the risk of modern slavery within TGM's direct business operations is considered to be low, however, TGM recognises that it can indirectly be exposed to these risks through its supply chain, client relationships or other third party relationships.

TGM has conducted a risk assessment of its supply chain to identify the potential areas of modern slavery and human trafficking risk exposure.

The key areas identified to date include: cleaning services employed by building management, office consumables including tea and coffee and technology hardware suppliers that engage contract labour to assemble the hardware.

TGM is working to enhance its risk management processes to identify, assess and monitor potential modern slavery risk areas where the business could be exposed to human rights/human trafficking abuses.

4 Risk management and due diligence to assess and address modern slavery

TGM is integrating several actions to assess and address modern slavery risk. These have been grouped into the following areas:

Governance and Policies

TGM has an established set of policies and procedures that govern the way it operates. These are relevant to how TGM manages potential human rights issues as they relate to its business operations, supply chains and client interactions. They include:

TGM's Code of Ethical Conduct – The principles of the Code guide the conduct of employees, managers and directors of the business. The Code also outlines what is expected of employees in relation to managing risks in all business activities and specifies the mechanisms for raising concerns including through the TGM Whistleblower Protection Program.

TGM's Principles for Suppliers - These expressly state the expectations for suppliers including that suppliers respect human rights, seek opportunities to improve environmental performance, provide safe, fair and ethical working conditions, promote diversity and not use or tolerate any form of forced, involuntary or child labour under any circumstances.

TGM's Anti Money Laundering Policy – Including procedures for revealing, mitigating and managing the risk of financial crime, including those linked to human rights violations.

TGM's Workplace Health & Safety Policy – Outlines TGM's duty of care to employees, contractors and visitors alike to maintain high workplace health and safety standards across the business and to recognise that safety (including an environment free of human rights violations) is everyone's responsibility.

TGM's Whistleblower Protection Policy – Outlines the circumstances whereby a person may raise genuine concerns relating to improper conduct, the various avenues for doing so including TGM's online, anonymous Whistleblower Report Form, the appointed Whistleblower Protection Officer and the support available to those who report such conduct as well as the Whistleblower Investigation Procedure (available to all employees via the Staff Portal). This conduct is not restricted to but may include suspected instances of human rights violations such as modern slavery or human trafficking.

In FY 2020, there were no reports of modern slavery or human trafficking through TGM's Whistleblower Protection Program.

The TGM Audit and Risk Committee oversees the company-wide risk management framework and has ultimate responsibility for governance and reporting of modern slavery and human trafficking risks to the TGM Board.

Employees

TGM is committed to ensuring its employees behave ethically and comply with the law. During the employee induction and onboarding process, the Director HR and the CEO conduct individual induction discussions with the new starters to communicate and reinforce the culture of maintaining a safe workplace that values equal opportunity and has a zero-tolerance approach to discrimination, harassment and victimisation. The ongoing importance of living TGM's core values of Integrity, Respect, Teamwork and Professionalism are reinforced via the onboarding process. TGM's Director HR communicates the importance of the Code of Ethical Conduct to embed new starters in the TGM culture and reinforce the importance of meeting and adhering to the behavioural expectations of the business.

TGM has robust policies and procedures regarding employment screening. Given the highly regulated financial services environment that the business operates in, it is standard process to police check preferred candidates prior to employment and conduct thorough reference checking. In terms of TGM's employment conditions, the focus is also on reasonable working hours, appropriate workplace behaviour and a collegiate, respectful approach to business. Protecting human rights and ensuring modern slavery compliance are integral to TGM's Human Resources and Compliance policies. These policies and procedures are reviewed annually and communicated to employees via training provided by the Director HR at Monthly Staff Meetings.

Supply Chain Management

In Q4 2020 following the introduction of TGM's Modern Slavery Policy, a risk assessment of TGM's supply chain was conducted to ensure that from a due diligence and corporate social responsibility perspective, TGM can identify the risks in its existing supply chain and make sensible procurement decisions going forward about supplier engagement.

A Modern Slavery Questionnaire was distributed to TGM's suppliers to ensure that they are operating with an aligned governance framework to proactively address and mitigate the risks of modern slavery in their operations. Based on TGM's supply chain profile, the risk of modern slavery remains quite low. However, TGM will continue to conduct annual due diligence checks on suppliers via the distribution of its Modern Slavery Questionnaire. Once the results of the Questionnaires are collated, they will be reviewed for compliance with the Modern Slavery Act 2018. TGM will take all reasonable steps to ensure that its goods and services are not products of modern slavery. If any heightened modern slavery risks are identified, TGM will communicate the risks back to the supplier and identify corrective action that can be taken within an agreed timeframe as part of a remediation plan.

In 2021, TGM will incorporate modern slavery compliance into its supplier engagement process via the *Principles for Suppliers* acknowledgement document. This will be done to integrate human rights risk management into the front end of TGM's supplier engagement process.

Business Operations

TGM adopts a due diligence approach to identify and manage any human rights risks in the screening of new clients and in investment decision making. In 2021 TGM will incorporate the risks of modern slavery and human trafficking into its ESG (Environmental, Social and Governance) Policy to identify, assess, mitigate and manage the risks of modern slavery and human trafficking in its business operations and supply chains.

Training

TGM provided training to its employees in 2020 with the roll out of the Modern Slavery Policy. In 2021, further training will be delivered regarding human rights and modern slavery due diligence and risks within the investment management context. TGM will further develop and integrate Modern Slavery Policy training within a suite of related corporate policies including Anti-money Laundering and the Code of Ethical Conduct.

5 Assessing effectiveness of modern slavery risk management

To monitor and assess the effectiveness of modern slavery risk management across TGM on an annual basis, in FY2020, modern slavery risk management obligations were assigned to individuals within the business. These individuals are required to ensure controls are in place across the organisation to identify and mitigate modern slavery risk. They are also responsible for promoting modern slavery due diligence and awareness across the business.

Going forward, modern slavery risk management will be included in the annual review of the risk functions of the business. This will ensure that TGM is regularly reviewing and confirming its compliance with modern slavery policy initiatives and the associated due diligence. TGM is committed to detecting and addressing modern slavery risk and reducing exposure to modern slavery risk in its operations.

6 Consultation and approval of TGM's modern slavery statement

TGM adopted a consultative approach to preparing and drafting its Modern Slavery Statement. The TGM executives responsible for the business's compliance policies were given an opportunity to provide feedback on the statement prior to its submission to TGM's Audit and Risk Committee for endorsement and approval by the TGML Board. TGM's Modern Slavery Statement will be updated annually.

The TGML Board has considered and approved this statement prior to publication.

7 Other relevant information

The impact of COVID-19 on TGM's supply chain in FY2020 has been relatively minimal in terms of any adverse effects on achieving TGM business requirements or supplier operations. However, the Government has indicated that the risk of modern slavery in the form of child exploitation has increased significantly during the COVID-19 pandemic. TGM has considered this

information in terms of its monitoring of its supply chain and business operations and the heightened external threat to human rights.

This statement has been approved by TGM's Chief Executive Officer under delegated authority from the TGML Board of Directors.

A handwritten signature in black ink that reads 'S. Goode'.

Stephen Goode
Chief Executive Officer

26 February 2021

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